108-1 Hearing: Current and Futu

S. HRG. 108–303

CURRENT AND FUTURE WORLDWIDE THREATS TO THE NATIONAL SECURITY OF THE UNITED STATES

Y 4.AR 5/3:S.HRG.108-303

HEARING

BEFORE THE

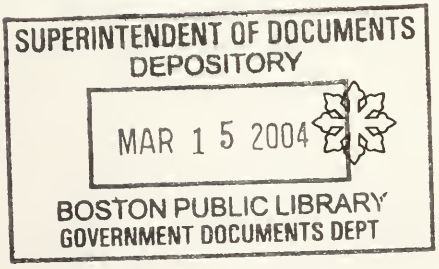
COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

FEBRUARY 12, 2003

Printed for the use of the Committee on Armed Services



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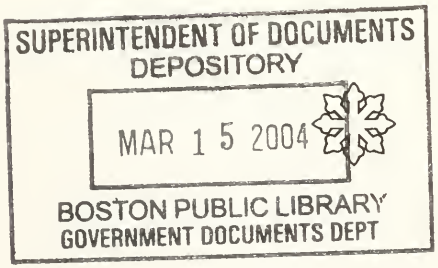

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CURRENT AND FUTURE WORLDWIDE THREATS TO THE NATIONAL SECURITY OF THE UNITED STATES

WEDNESDAY, FEBRUARY 12, 2003

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The committee met, pursuant to notice, at 9:43 a.m., in room SH–216, Hart Senate Office Building, Senator John Warner (chairman) presiding.

Committee members present: Senators Warner, Inhofe, Roberts, Allard, Collins, Ensign, Talent, Graham, Cornyn, Levin, Kennedy, Byrd, Reed, Akaka, Ben Nelson, Dayton, Bayh, Clinton, and Pryor.

Committee staff members present: Judith A. Ansley, staff director; and Cindy Pearson, assistant chief clerk and security manager.

Majority staff members present: Charles W. Alsup, professional staff member; Brian R. Green, professional staff member; Mary Alice A. Hayward, professional staff member; Ambrose R. Hock, professional staff member; Gregory T. Kiley, professional staff member; Thomas L. MacKenzie, professional staff member; Lynn F. Rusten, professional staff member; and Scott W. Stucky, general counsel.

Minority staff members present: Richard D. DeBobes, Democratic staff director; Madelyn R. Creedon, minority counsel; Kenneth M. Crosswait, professional staff member; Evelyn N. Farkas, professional staff member; Richard W. Fieldhouse, professional staff member; Creighton Greene, professional staff member; Maren R. Leed, professional staff member; Christina D. Still, professional staff member.

Staff assistants present: Michael N. Berger, Leah C. Brewer, Andrew Kent, Jennifer Key, Sara R. Mareno, and Nicholas W. West.

Committee members' assistants present: Cord Sterling, assistant to Senator Warner; John A. Bonsell, assistant to Senator Inhofe; James Beauchamp, assistant to Senator Roberts; Jayson Roehl, assistant to Senator Allard; James P. Dohoney, Jr., assistant to Senator Collins; Sara Grisier, assistant to Senator Ensign; Lindsey R. Neas, assistant to Senator Talent; James W. Irwin, assistant to Senator Chambliss; Aleix Jarvis and Stephen Flippin, assistants to Senator Graham; Henry J. Steenstra, assistant to Senator Dole; Sharon L. Waxman and Mieke Y. Eoyang, assistants to Senator Kennedy; Terrence E. Sauvain and Erik Raven, assistants to Senator Byrd; Elizabeth King, assistant to Senator Reed; Davelyn Noelani Kalipi and Richard Kessler, assistants to Senator Akaka;

Douglas Bush, assistant to Senator Bill Nelson; Eric Pierce, assistant to Senator Ben Nelson; Rashid Hallaway, assistant to Senator Bayh; Andrew Shapiro, assistant to Senator Clinton; Terri Glaze, assistant to Senator Pryor.

OPENING STATEMENT OF SENATOR PAT ROBERTS

Senator ROBERTS [presiding]. The committee will come to order. Senator Warner, our distinguished chairman, is temporarily detained. The committee meets today to receive testimony from George Tenet, the Director of Central Intelligence (DCI), and Vice Admiral Jacoby, who is the Director of the Defense Intelligence Agency (DIA), on current and future worldwide threats to the United States and national security. On behalf of Senator Warner, I want to welcome our two distinguished witnesses. Their testimony is the foundation for the committee's actions about the types of military forces and military capabilities our Nation needs to detect and deter and, if necessary, defeat those threats.

The chairman, in his statement, said he wanted to take a moment to acknowledge Vice Admiral Jacoby on what is his first appearance before our committee in his new capacity as the Director of the DIA. The Admiral is no stranger to the committee, having provided many briefings and updates to the committee while he served as the J–2 on the Joint Staff for the past 3 years. Admiral, you did a great job in that position. We congratulate you as you fleet up, I think that is the word to this new challenge during these very challenging times. As chairman of the Intelligence Committee, I can say we really appreciated your testimony yesterday and I appreciated your courtesy when Senator DeWine and I visited the DIA and received your briefing several weeks ago.

The circumstances of this hearing are quite compelling. Our country was brutally attacked by terrorists 17 months ago. Our military is engaged in an all-out global war to defeat terrorism. The threat of war looms in Iraq. Nuclear tensions are on the rise as testified yesterday by Mr. Tenet, also on the Korean peninsula; and the threat of another catastrophic attack against our Nation and our interests has recently increased.

I am going to simply put the rest of the chairman's statement in the record without objection.

[The prepared statement of Senator Warner follows:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

The committee meets today to receive testimony from George Tenet, Director of Central Intelligence, and Vice Admiral Jacoby, Director, Defense Intelligence Agency, on current and future worldwide threats to U.S. national security.

I welcome our two distinguished witnesses. Their testimony on the wide range of threats facing our Nation is the foundation for the committee's deliberations about the types of military forces and military capabilities our Nation needs to detect, deter and—if necessary—defeat those who threaten us.

I want to take a moment to acknowledge Vice Admiral Jake Jacoby in what is his first appearance before our committee in his new capacity as the Director of DIA. Admiral Jacoby is no stranger to the committee, having provided many briefings and updates to the committee while he served as the J2 on the Joint Staff for the past 3 years. You did a great job in that position and we congratulate you as you "fleet up" to this new challenge, during very challenging times.

The circumstances of this hearing are quite compelling. Our country was brutally attacked by terrorists 17 months ago; our military is engaged in an all-out global war to defeat terrorism; the threat of war looms in Iraq; nuclear tensions are on

the rise on the Korean peninsula; and, the threat of another catastrophic attack against our Nation and our interests has recently increased.

For the past several years, Director Tenet has been quite prophetic in warning us of "greater risk" and "vulnerability to surprise attack, even at home." Your recent assessments that al Qaeda remains a significant risk and is planning imminent attacks on the United States and its interests is quite sobering.

As U.S. forces pour into the Persian Gulf region, we look to both of you for your assessments of the dangers facing these brave men and women if conflict cannot be avoided, as well as the dangers facing the world if the international community fails to act to disarm Saddam Hussein.

In addition, although much progress has been made, Afghanistan remains a dangerous place. We are anxious to hear your assessment of the situation there and the prospects for the future.

The global war on terrorism is not just confined to Afghanistan and the Middle East. Your assessment of the overall magnitude of this threat and the progress that has been made thus far to defeat this danger will greatly assist our understanding of the scope of this problem.

Even though we are focused on current and potential military conflicts, we must not lose sight of the other, non-traditional threats that abound in this uncertain world—the proliferation of weapons of mass destruction and missile technologies, information warfare, ethnic conflict, and overall global trends. Our security demands vigilance in these areas, as well. We look forward to your frank assessments of the many wide ranging threats to our national security.

There has been much discussion about what went wrong on September 11. Clearly, changes need to be made in the way we process, analyze, and disseminate intelligence to ensure the right people have the right information at the right time. We are anxious to hear from both of you on structural, technological, and cultural changes you believe are required to better posture our intelligence services for future success. We look forward to your insights and will rely greatly on your judgment.

We depend on you, gentlemen, to guide us as we make critical decisions in the weeks and months ahead about the capabilities, resources, and policies our Nation needs to defend itself. Success in your respective missions is essential to our national security—both at home and abroad—and the future readiness of our Armed Forces.

Thank you for your service to our country. We welcome your testimony.

Senator ROBERTS. I yield at this time to the distinguished vice chairman, ranking member, shotgun writer, and defender of freedom in Michigan, Senator Levin, for any comments he may wish to make.

STATEMENT OF SENATOR CARL LEVIN

Senator LEVIN. Thank you very much, Mr. Chairman. As we meet today to receive testimony from the United States intelligence community on worldwide threats to our national security, it is no exaggeration to say that the current threats to the United States are serious and some of them are imminent. Osama bin Laden is still at large and the al Qaeda network, though weakened and deprived of its safe haven in Afghanistan, has just over the last several months attacked innocent civilians in Bali and Tunisia and U.S. Service members and civilians in Kuwait and Jordan. Late last month, U.S. Coalition Forces fought the biggest battle in Afghanistan since Operation Anaconda last spring.

Our intelligence and law enforcement agencies are working with allied countries to thwart further attacks in the United States and abroad, but the fact is that we remain vulnerable to al Qaeda and other terrorists. Indeed, the United States is at alert "orange" today, the second-highest level of alert in our system. Our military forces are also at heightened force protection levels worldwide. We remain vulnerable to attack using conventional explosives, to say nothing of weapons of mass destruction. Earlier this week, Federal

officials even suggested that the public should make preparations for a terrorist attack involving chemical, biological, or radiological weapons.

Meanwhile, North Korea, a country that possesses weapons of mass destruction and has rejected the international nuclear inspectors, has declared it has resumed operations at its plutonium facilities. North Korea is on the brink of becoming an undisputed nuclear power. By refusing to open a direct dialogue with North Korea, even though South Korea wants us to do just that, we are stoking North Korea's paranoia and that could lead to additional provocative and possibly irreversible action on their part.

Iran's admission that it has been mining uranium underscores our concern that its nuclear energy program is intended for nuclear weapons. Iraq continues to flout the international community, not assisting the U.N. weapons inspectors to find and/or account for chemical and biological weapons programs. Disagreement over how to address the Iraqi threat has divided the U.N. Security Council. Moreover, an Islamist extremist terrorist group operating in northeast Iraq beyond the control of Saddam Hussein has set up a poison producing factory. Surely there can be little doubt that Osama bin Laden would like to see the United States and Britain attack Iraq. Keeping the world community together through the U.N. Security Council is exactly what Osama bin Laden doesn't want to see.

All of us want Saddam Hussein to be disarmed. The best way to accomplish the goal of disarming Saddam Hussein without war is if the United Nations speaks with one voice relative to Iraq. I also believe that if military force is used, the best way of reducing both short-term risks, including the risks to the United States and Coalition Forces, and the long-term risks, including the risk of terrorist attacks on our interests throughout the world, is if the United Nations specifically authorizes the use of military force.

That is the bottom line for me. The best way of increasing any chance of disarming Saddam Hussein without war and of minimizing casualties in future attacks on the United States if war does ensue is if the United Nations acts together in the Security Council relative to Iraq. Supporting U.N. inspections is an essential step if we are going to keep the Security Council together. We can support those U.N. inspections by sharing the balance of our information about suspect sites, by quickly getting U–2 aircraft in the air over Iraq, with or without Saddam Hussein's approval, and by giving the inspectors the time they need to do their work as long as the inspections are unimpeded.

I disagree with those, including high officials in our Government, who say that U.N. inspections are useless. We heard that before the inspections began. We heard it from Dr. Rice at the White House last week. I am astounded that some of those high officials have gone so far as to refer in a derogatory way to the "so-called" U.N. inspectors. If these inspections are useless unless they have Iraqi assistance in pointing out where Iraq has hidden or destroyed weapons of mass destruction, why are we sharing any intelligence at all with the inspectors? Why are we apparently finally implementing U–2 flights to support the inspectors? It is one thing to be realistic about the limitations of the U.N. inspections and not have

too high hopes about what they can produce. It is another thing to denigrate or prejudge their value, be dismissive and disdainful about the beliefs of others on the U.N. Security Council about their value, and to be cavalier about the facts relative to those inspections.

Referring to being cavalier about facts brings me to my next point, the sharing of intelligence information in our possession with the U.N. inspectors. This is an issue that I have followed very closely. In the last several weeks at my request, the CIA has been providing me with classified details of how much information we have been sharing with the U.N. inspectors in Iraq. We just began sharing specific information in early January, according to Secretary Powell, as quoted in The Washington Post on January 9. While I can't go into those classified details in an open hearing, I can say that the information the CIA has provided me made it very clear that we had shared information only on a small percentage of the suspect sites in Iraq, that we had not shared information on the majority of the suspect sites which were confirmed by CIA staff. At yesterday's hearing of the Intelligence Committee, I was astounded when Director Tenet repeatedly and firmly told us that we have now shared with U.N. inspectors information about every site where we have credible intelligence. Then last night, in Director Tenet's presence and in the presence of Senator Warner, his staff acknowledged that we still have useful information that we have not shared with the inspectors, which is the opposite of what Director Tenet told the Intelligence Committee yesterday in open session. If we have not shared yet all the useful information that we have with the U.N. inspectors, that would run counter to the administration's position that the time for inspections is over.

When President Bush addressed the U.N. General Assembly on September 12 of last year, he said, "We want the United Nations to be effective and respected and successful." Well, we have some responsibility to help the United Nations achieve that. Saying to other countries, including allies, if you do not see it our way you must have some ulterior motive, doesn't help. While a number of heads of state and governments have called for the U.N. Security Council to take the necessary and appropriate action in response to Iraq's continuing threat to international peace and security, and some have pledged to contribute military forces to that effort, others believe that we should give the inspections the strength and the time they need to finish the job.

All groups agree on the necessity of disarming Iraq. Rather than following a course that divides the United Nations and separates us from some of our closest allies, we should at least fairly consider courses of action that would unite the world community against Iraq.

Mr. Chairman, I look forward to hearing more today about the capabilities that al Qaeda, North Korea, and Iraq possess. I hope we also hear about the risks that we might face to our homeland and our military and the Middle East, Afghanistan, and worldwide in taking action without U.N. authority in Iraq, in not engaging North Korea in serious dialogue and in not fighting al Qaeda with all our assets whenever and wherever we find them. Thank you.

Senator ROBERTS. The procedure recommended by Chairman Warner is to make available 6 minutes that will be provided to each Senator. Each Senator can then make an opening statement at this particular time. In the interest of time, however, we do want to get to Director Tenet and to the Admiral. Mr. Tenet, would you proceed, please.

STATEMENT OF HON. GEORGE J. TENET, DIRECTOR OF CENTRAL INTELLIGENCE

Mr. TENET. Yes. Thank you, Mr. Chairman. Last year, in the wake of the September 11 attack on our country, I focused my remarks on the clear and present danger posed by terrorists who seek to destroy who we are and what we stand for. The national security environment that exists today is significantly more complex than that of a year ago. I can tell you that the threat from al Qaeda remains, even though we have made important strides in the war against terrorism. Secretary of State Powell clearly outlined last week the continuing threats posed by Iraq's weapons of mass destruction, its efforts to deceive U.N. inspectors, and the safe haven that Baghdad has allowed for terrorists in Iraq. North Korea's recent admission that it has a highly-enriched uranium program, intends to end the freeze on its plutonium production facilities, and intends to withdraw from the nonproliferation treaty raised serious new challenges for the region and the world.

At the same time, we cannot lose sight of those national security challenges that, while not occupying space on the front pages, demand a constant level of scrutiny. Challenges such as the world's vast stretches of ungoverned areas, lawless zones, veritable no man's lands, like some areas along the Afghan-Pakistani border where extremist movements find shelter and can win breathing space to grow. Challenges such as the numbers of societies and peoples excluded from the benefits of an expanding global economy, where the daily lot is hunger, disease, and displacement, and that produce large populations of disaffected youth who are prime recruits for our extremist foes.

As you have talked about, Mr. Chairman, yesterday and today, the United States Government last week raised the terrorist threat level. We did so because of threat reporting from multiple sources with strong al Qaeda ties. The information we have points to plots aimed at targets on two fronts—in the United States and on the Arabian Peninsula. It points to plots timed to occur as early as the end of the Hajj, which occurs late this week, and it points to plots that could include the use of a radiological dispersion device as well as poisons and chemicals. The intelligence, as I said yesterday, is not idle chatter on the part of terrorists and their associates. It is the most specific we have seen and it is consistent with both our knowledge of al Qaeda doctrine and our knowledge of the plots this network, and particularly its senior leadership, has been working on for years.

The intelligence community is working directly and in real time with friendly services overseas and with our law enforcement colleagues here at home to disrupt and capture specific individuals who may be part of this plot. Our information and knowledge is the result of important strides we have made since September 11 to en-

hance our counterterrorism capabilities and to share with our law enforcement colleagues, and they with us, the results of disciplined operations, collection, and analysis of events inside the United States and overseas.

Raising the threat level is important to our being as disruptive as possible. The enhanced security that results from a higher level of threat can buy us more time to operate against the individuals who are plotting to do us harm. Heightened vigilance generates additional information and leads.

This latest reporting underscores the threat that al Qaeda continues to pose to the United States. The network is extensive and adaptable. It will take years of determined effort to unravel this and other terrorist networks and stamp them out.

Mr. Chairman, my statement goes on to note what I believe are formidable successes that we have had with our law enforcement partners over the last 14 or 15 months in disrupting this organization. It notes the important role Muslim counties continue to play in the war on terrorism, from Pakistan to Jordan and Egypt, to the Saudis, to the Indonesians, to the Malaysians. We cannot forget Afghanistan where the support of the leadership is absolutely essential.

Mr. Chairman, al Qaeda will try to adapt to changing circumstances as it regroups. It will seek a more secure base so they can pause from flight and resume planning. We place no limitations on our expectations of what the organization may do to survive. We see disturbing signs that al Qaeda has established a presence in both Iran and Iraq. In addition, we are also concerned that al Qaeda continues to find refuge in the hinterlands of Pakistan and Afghanistan. Al Qaeda is also developing or refining relatively new means of attack including the use of surface-to-air missiles, poisons, and air and surface and underwater methods to attack maritime targets.

We know from the events of September 11 that we can never again ignore a specific type of country. A country unable to control its own borders and internal territory, lacking capacity to govern, educate its people or provide fundamental social services. Such countries can offer extremists a place to congregate in relative safety.

I told you last year, Mr. Chairman, that bin Laden has a sophisticated capability in biological weapons. In Afghanistan, al Qaeda succeeded in acquiring both the expertise and equipment needed to grow biological agents, including a dedicated laboratory in an isolated compound in Kandahar. Last year, I also discussed al Qaeda's efforts to obtain nuclear and radiological materials as part of an ambitious nuclear agenda. One year later, we continue to follow every lead in tracking terrorists' efforts to obtain nuclear materials.

Mr. Chairman, with regard to Iraq, let me quickly summarize. Last week, Secretary Powell carefully reviewed for the U.N. Security Council the intelligence that we have on Iraqi efforts to deceive U.N. inspectors, its programs to develop weapons of mass destruction, and its support for terrorism.

I don't plan to go into these matters in detail, but let me summarize some key points. Iraq has in place an active effort to deceive U.N. inspectors and deny them access. This effort is directed by the

highest levels of the Iraqi regime. Baghdad has given clear instructions to its operational forces to hide banned materials in their possession. Iraq's biological weapons program includes mobile search and production facilities that will be difficult, if not impossible, for the inspectors to find. Baghdad began this program in the mid-1990s, during a time when U.N. inspectors were in the country. Iraq has established a pattern of clandestine procurements designed to reconstitute its nuclear weapons program. These procurements include and also go well beyond the aluminum tubes that you have heard so much about. Iraq has tested unmanned aerial vehicles to ranges that far exceed what it declared to the U.N. We are concerned that Iraq's Unmanned Aerial Vehicles (UAV) can dispense chemical and biological weapons and they can deliver such weapons to Iraq's neighbors or even transport them to other countries, including the United States. Iraq is harboring senior members of a terrorist network led by Abu Musab al-Zarqawi, a close associate of Osama bin Laden. We know Zarqawi's network was behind the poison plots in Europe that I discussed earlier as well as the assassination of a U.S. State Department employee in Jordan.

Iraq has, in the past, provided training in document forgery and bomb making to al Qaeda. It has also provided training in poisons and gases to two al Qaeda associates. One of these associates characterized the relationship he forged with Iraqi officials as successful. Mr. Chairman, this information is based on a solid foundation of intelligence. It comes to us from credible and reliable sources. Much of it is corroborated by multiple sources and it is consistent with the pattern of denial and deception exhibited by Saddam Hussein over the past 12 years.

With regard to proliferation, sir, I will quickly summarize by saying we have entered a new world of proliferation. The vanguards of this world are knowledgeable nonstate purveyors of weapons of mass destruction (WMD) materials and technology. Such nonstate outlets are increasingly capable of providing technology and equipment that previously could only be supplied by countries with established capabilities.

Demand creates the market. The desire for nuclear weapons is on the upsurge. Additional countries may seek to obtain nuclear weapons as it becomes clear that their neighbors and regional rivals are already doing so. The domino theory of the 21st century may well be nuclear.

With regard to North Korea, its recent behavior regarding its longstanding nuclear weapons program makes apparent to all the dangers Pyongyang poses to its region and to the world. This includes developing the capability to enrich uranium, ending the freeze on its plutonium production facilities, and withdrawing from the Non-Proliferation Treaty (NPT). If, as it seems likely, Pyongyang moves to reprocess spent fuel at the facilities where it recently abrogated the 1994 International Atomic Energy Agency (IAEA)-monitored freeze, we assess it could recover sufficient plutonium for several additional weapons.

North Korea also continues to export complete ballistic missiles and production capabilities with related raw materials, components, and expertise. Profits from these sales help Pyongyang to support its missile and other weapons of mass destruction develop-

ment programs, and in turn generate new products to offer its customers.

Indeed, Mr. Chairman, Kim Jong Il's attempt this past year to parlay the North's nuclear weapons program into political leverage suggests he is trying to negotiate a fundamentally different relationship with us, one that implicitly tolerates North Korea's nuclear weapons program. Although Kim Jong Il presumably calculates the North's aid, trade, and investment climate will never improve in the face of U.S. sanctions and perceived hostility. He is equally committed to retaining and enlarging his nuclear weapons stockpile.

Mr. Chairman, I want to talk about China. We did not talk about that yesterday. China's chosen path to long-term regional and global interest runs through economic growth and Chinese integration into the global economy. Beijing calculates that as China's economic mass increases, so too will the pull of its political gravity. To date China's successes have been dramatic and disconcerting to some of its neighbors. Despite China's rapid growth, it remains vulnerable to economic fluctuations that could threaten political and social stability. China is increasingly dependent on its external sector to generate rapid growth and, without rapid growth, China will fall even further behind in job creation.

The recent Congress of the Communist Party marked a leadership transition to a younger political generation but also created a potential division of authority at the top; and, in light of China's profound policy challenges, an additional leadership challenge. The former party chief, Jiang Zemin, who was also scheduled to hand over the presidency to his successor in both positions, Hu Jintao, is determined to remain in charge. He retains the chairmanship of the party's Central Military Commission. The next generation of leaders offer policy continuity but the current set-up probably guarantees tensions among leaders uncertain of their own standing and anxious to secure their positions.

Such tensions may well play out on the issue of Taiwan, the matter of greatest volatility in U.S.-China relations. For now, the situation appears relatively placid, but recent history shows this can change quickly, given the shifting perceptions and calculations on both sides. Chinese leaders seem convinced that all trends are moving in their favor. Taiwan is heavily invested in the mainland, and Chinese military might is growing.

From its perspective, Beijing remains wary of nationalist popular sentiment on Taiwan and of our arms sales to and military cooperation with Taipei. As for Taiwan's President Chen, he may feel constrained by internal political and economic problems and by Beijing's charm offensive. As he approaches his re-election bid next year, Chen may react by reasserting Taiwan's separate identity and expanding its international diplomacy.

In this regard, our greatest concern is China's military buildup. Last year marked new high points for unit training and weapons integration, all sharply focused on the Taiwan mission, and on increasing the costs for any who might intervene in a regional Chinese operation. We anticipate no slowdown to this trend in the coming year.

Mr. Chairman, my statement goes on to talk about Russia and Iran. I will enter those into the record.

I want to talk for a minute about South Asia, where I think our attention must remain focused. On the Pakistan-India border the underlying cause of tension is unchanged, even though India's recent military redeployment away from the border reduces the danger of imminent war. The cycles of tension between India and Pakistan are growing shorter. Pakistan continues to support groups that resist India's presence in Kashmir in an effort to bring Indians to the negotiating table. Indian frustration with the continuing terrorist attacks, most of which it attributes to Pakistan, causes New Delhi to reject any suggestion that it can resume a dialogue with Islamabad. Any dramatic provocation like the 2001 terrorist attack on Indian parliament by Kashmir militants runs a very high risk of sparking another major military deployment.

Mr. Chairman, my statement goes through a number of other hot spots and transnational issues that I will enter into the record with your permission.

I would note that with regard to Africa, this is a place where we do not often pay a lot of attention or enough attention to. Sub-Saharan Africa's chronic instability will demand our attention. Africa's lack of democratic institutionalization combined with pervasive ethnic rifts and corruption render most of the 48 countries vulnerable to crisis that can be costly in human lives and lost economic growth. The Cote d'Ivoire is collapsing, and its collapse will be felt throughout the region, where neighboring economies are at risk from the fall-off in trade and from refugees fleeing violence.

[The prepared statement of Mr. Tenet follows:]

PREPARED STATEMENT BY HON. GEORGE J. TENET

DCI'S WORLDWIDE THREAT BRIEFING—THE WORLDWIDE THREAT IN 2003: EVOLVING DANGERS IN A COMPLEX WORLD

Mr. Chairman, last year—in the wake of the September 11 attack on our country—I focused my remarks on the clear and present danger posed by terrorists who seek to destroy who we are and what we stand for. The national security environment that exists today is significantly more complex than that of a year ago.

- I can tell you that the threat from al Qaeda remains, even though we have made important strides in the war against terrorism.
- Secretary of State Powell clearly outlined last week the continuing threats posed by Iraq's weapons of mass destruction, its efforts to deceive U.N. inspectors, and the safehaven that Baghdad has allowed for terrorists in Iraq.
- North Korea's recent admission that it has a highly-enriched uranium program, intends to end the freeze on its plutonium production facilities, and has stated its intention to withdraw from the Nonproliferation Treaty raised serious new challenges for the region and the world.

At the same time we cannot lose sight of those national security challenges that, while not occupying space on the front pages, demand a constant level of scrutiny.

- Challenges such as the world's vast stretches of ungoverned areas—lawless zones, veritable "no man's lands" like some areas along the Afghan-Pakistani border—where extremist movements find shelter and can win the breathing space to grow.
- Challenges such as the numbers of societies and peoples excluded from the benefits of an expanding global economy, where the daily lot is hunger, disease, and displacement—and that produce large populations of disaffected youth who are prime recruits for our extremist foes.

Terrorism

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The intelligence is not idle chatter on the part of terrorists and their associates. It is the most specific we have seen, and it is consistent with both our knowledge of al Qaeda doctrine and our knowledge of plots this network—and particularly its senior leadership—has been working on for years.

The intelligence community is working directly, and in real time, with friendly services overseas and with our law enforcement colleagues here at home to disrupt and capture specific individuals who may be part of this plot.

Our information and knowledge is the result of important strides we have made since September 11 to enhance our counterterrorism capabilities and to share with our law enforcement colleagues—and they with us—the results of disciplined operations, collection, and analysis of events inside the United States and overseas.

Raising the threat level is important to our being as disruptive as possible. The enhanced security that results from a higher threat level can buy us more time to operate against the individuals who are plotting to do us harm. Heightened vigilance generates additional information and leads.

This latest reporting underscores the threat that the al Qaeda network continues to pose to the United States. The network is extensive and adaptable. It will take years of determined effort to unravel this and other terrorist networks and stamp them out.

Mr. Chairman, the intelligence and law enforcement communities aggressively continue to prosecute the war on terrorism, and we are having success on many fronts. More than one third of the top al Qaeda leadership identified before the war has been killed or captured, including:

- The operations chief for the Persian Gulf area, who planned the bombing of the U.S.S. *Cole*.
- A key planner who was a Muhammad Atta confidant and a conspirator in the September 11 attacks.
- A major al Qaeda leader in Yemen and other key operatives and facilitators in the Gulf area and other regions, including South Asia and Southeast Asia.

The number of rounded-up al Qaeda detainees has now grown to over 3,000-up from 1,000 or so when I testified last year—and the number of countries involved in these captures has almost doubled to more than 100.

- Not everyone arrested was a terrorist. Some have been released. But the worldwide rousting of al Qaeda has definitely disrupted its operations. We've obtained a trove of information we're using to prosecute the hunt still further.

The coalition against international terrorism is stronger, and we are reaping the benefits of unprecedented international cooperation. In particular, Muslim governments today better understand the threat al Qaeda poses to them and day by day have been increasing their support.

- Ever since Pakistan's decision to sever ties with the Taliban—so critical to the success of Operation Enduring Freedom—Islamabad's close cooperation in the war on terrorism has resulted in the capture of key al Qaeda lieutenants and significant disruption of its regional network.
- Jordan and Egypt have been courageous leaders in the war on terrorism.
- A number of Gulf states like the United Arab Emirates are denying terrorists financial safehaven, making it harder for al Qaeda to funnel funding for operations. Others in the Gulf are beginning to tackle the problem of charities that front for, or fund, terrorism.
- The Saudis are providing increasingly important support to our counterterrorism efforts—from arrests to sharing debriefing results.
- Southeast Asian countries like Malaysia and Indonesia, with majority Muslim populations, have been active in arresting and detaining terror suspects.
- We mustn't forget Afghanistan, where the support of the new leadership is essential.

Al Qaeda's loss of Afghanistan, the death and capture of key personnel, and its year spent mostly on the run have impaired its capability, complicated its command and control, and disrupted its logistics.

That said, Mr. Chairman, the continuing threat remains clear. Al Qaeda is still dedicated to striking the U.S. homeland, and much of the information we've received in the past year revolves around that goal.

Even without an attack on the U.S. homeland, more than 600 people were killed in acts of terror last year—and 200 in al Qaeda-related attacks alone. Nineteen were United States citizens.

- Al Qaeda or associated groups carried out a successful attack in Tunisia and—since October 2002—attacks in Mombasa, Bali, and Kuwait, and off Yemen against the French oil tanker *Limburg*. Most of these attacks bore such al Qaeda trademarks as intense surveillance, simultaneous strikes, and suicide-delivered bombs.

Combined U.S. and allied efforts thwarted a number of al Qaeda-related attacks in the past year, including the European poison plots. We identified, monitored, and arrested Jose Padilla, an al Qaeda operative who was allegedly planning operations in the United States and was seeking to develop a so-called "dirty bomb." Along with Moroccan partners we disrupted al Qaeda attacks against U.S. and British warships in the straits of Gibraltar.

Until al Qaeda finds an opportunity for the big attack, it will try to maintain its operational tempo by striking "softer" targets. What I mean by "softer," Mr. Chairman, are simply those targets al Qaeda planners may view as less well protected.

- Al Qaeda has also sharpened its focus on our Allies in Europe and on operations against Israeli and Jewish targets.

Al Qaeda will try to adapt to changing circumstances as it regroups. It will seek a more secure base area so that it can pause from flight and resume planning. We place no limitations on our expectations of what al Qaeda might do to survive.

We see disturbing signs that al Qaeda has established a presence in both Iran and Iraq. In addition, we are also concerned that al Qaeda continues to find refuge in the hinterlands of Pakistan and Afghanistan.

Al Qaeda is also developing or refining new means of attack, including use of surface-to-air missiles, poisons, and air, surface, and underwater methods to attack maritime targets.

- If given the choice, al Qaeda terrorists will choose attacks that achieve objectives—striking prominent landmarks, inflicting mass casualties, causing economic disruption, rallying support through shows of strength.

The bottom line here, Mr. Chairman, is that al Qaeda is living in the expectation of resuming the offensive.

We know from the events of September 11 that we can never again ignore a specific type of country: a country unable to control its own borders and internal territory, lacking the capacity to govern, educate its people, or provide fundamental social services. Such countries can, however, offer extremists a place to congregate in relative safety.

Al Qaeda is already a presence in several regions that arouse our concern. The Bali attack brought the threat home to Southeast Asia, where the emergence of Jemaah Islamiya in Indonesia and elsewhere in the region is particularly worrisome.

- The Mombasa attack in East Africa highlights the continued vulnerability of western interests and the growing terrorist threat there.

Although state sponsors of terrorism assume a lower profile today than a decade ago, they remain a concern. Iran and Syria continue to support the most active Palestinian terrorist groups, HAMAS and the Palestine Islamic Jihad. Iran also sponsors Lebanese Hizballah. I'll talk about Iraq's support to terrorism in a moment.

Terrorism directed at U.S. interests goes beyond Middle Eastern or religious extremist groups. In our own hemisphere, the Revolutionary Armed Forces of Colombia (FARC) has shown a new willingness to inflict casualties on U.S. nationals.

Mr. Chairman, let me briefly turn to a grave concern: the determination of terrorists to obtain and deploy weapons of massive destructive capability, including nuclear, radiological, chemical, and biological devices.

The overwhelming disparity between U.S. forces and those of any potential rival drives terrorist adversaries to the extremes of warfare—toward "the suicide bomber or the nuclear device" as the best ways to confront the United States. Our adversaries see us as lacking will and determination when confronted with the prospect of massive losses.

- Terrorists count on the threat of demoralizing blows to instill massive fear and rally shadowy constituencies to their side.

We continue to receive information indicating that al Qaeda still seeks chemical, biological, radiological, and nuclear weapons. The recently disrupted poison plots in the U.K., France, and Spain reflect a broad, orchestrated effort by al Qaeda and associated groups to attack several targets using toxins and explosives.

- These planned attacks involved similar materials, and the implicated operatives had links to one another.

I told you last year, Mr. Chairman, that bin Laden has a sophisticated biological weapons capability. In Afghanistan, al Qaeda succeeded in acquiring both the expertise and the equipment needed to grow biological agents, including a dedicated laboratory in an isolated compound outside of Kandahar.

Last year, I also discussed al Qaeda's efforts to obtain nuclear and radiological materials as part of an ambitious nuclear agenda. One year later, we continue to follow every lead in tracking terrorist efforts to obtain nuclear materials.

- In particular, we continue to follow up on information that al Qaeda seeks to produce or purchase a radiological dispersal device. Construction of such a device is well within al Qaeda capabilities—if it can obtain the radiological material.

Iraq

Before I move on to the broader world of proliferation, Mr. Chairman, I'd like to comment on Iraq. Last week Secretary Powell carefully reviewed for the U.N. Security Council the intelligence we have on Iraqi efforts to deceive U.N. inspectors, its programs to develop weapons of mass destruction, and its support for terrorism. I do not plan to go into these matters in detail, but I would like to summarize some of the key points.

- Iraq has in place an active effort to deceive U.N. inspectors and deny them access. This effort is directed by the highest levels of the Iraqi regime. Baghdad has given clear directions to its operational forces to hide banned materials in their possession.
- Iraq's biological weapons program includes mobile research and production facilities that will be difficult, if not impossible, for the inspectors to find. Baghdad began this program in the mid-1990s—during a time when U.N. inspectors were in the country.
- Iraq has established a pattern of clandestine procurements designed to reconstitute its nuclear weapons program. These procurements include—but also go well beyond—the aluminum tubes that you have heard so much about.
- Iraq has recently flight tested missiles that violate the U.N. range limit of 150 kilometers. It is developing missiles with ranges beyond 1,000 kilometers. It retains—in violation of U.N. resolutions—a small number of SCUD missiles that it produced before the Gulf War.
- Iraq has tested unmanned aerial vehicles to ranges that far exceed both what it declared to the United Nations and what it is permitted under U.N. resolutions. We are concerned that Iraq's UAVs can dispense chemical and biological weapons and that they can deliver such weapons to Iraq's neighbors or, if transported, to other countries, including the United States.
- Iraq is harboring senior members of a terrorist network led by Abu Musab al-Zarqawi, a close associate of Osama bin Laden. We know Zarqawi's network was behind the poison plots in Europe that I discussed earlier as well as the assassination of a U.S. State Department employee in Jordan.
- Iraq has in the past provided training in document forgery and bomb-making to al Qaeda. It also provided training in poisons and gasses to two al Qaeda associates; one of these associates characterized the relationship he forged with Iraqi officials as successful.

Mr. Chairman, this information is based on a solid foundation of intelligence. It comes to us from credible and reliable sources. Much of it is corroborated by multiple sources. It is consistent with the pattern of denial and deception exhibited by Saddam Hussein over the past 12 years.

Proliferation

Mr. Chairman, what I just summarized for you on Iraq's WMD programs underscores our broader concerns about proliferation. More has changed on nuclear proliferation over the past year than on any other issue. For 60 years, weapon-design information and technologies for producing fissile material—the key hurdles for nu-

clear weapons production—have been the domain of only a few states. These states, though a variety of self-regulating and treaty based regimes, generally limited the spread of these data and technologies.

In my view, we have entered a new world of proliferation. In the vanguard of this new world are knowledgeable non-state purveyors of WMD materials and technology. Such non-state outlets are increasingly capable of providing technology and equipment that previously could only be supplied by countries with established capabilities.

This is taking place side by side with the continued weakening of the international nonproliferation consensus. Control regimes like the Non-Proliferation Treaty are being battered by developments such as North Korea's withdrawal from the NPT and its open repudiation of other agreements.

- The example of new nuclear states that seem able to deter threats from more powerful states, simply by brandishing nuclear weaponry, will resonate deeply among other countries that want to enter the nuclear weapons club.

Demand creates the market. The desire for nuclear weapons is on the upsurge. Additional countries may decide to seek nuclear weapons as it becomes clear their neighbors and regional rivals are already doing so. The "domino theory" of the 21st century may well be nuclear.

- With the assistance of proliferators, a potentially wider range of countries may be able to develop nuclear weapons by "leapfrogging" the incremental pace of weapons programs in other countries.

Let me now briefly review, sector by sector, the range on non-nuclear proliferation threats.

In biological warfare (BW) and chemical warfare (CW), maturing programs in countries of concern are becoming less reliant on foreign suppliers—which complicates our ability to monitor programs via their acquisition activities. BW programs have become more technically sophisticated as a result of rapid growth in the field of biotechnology research and the wide dissemination of this knowledge. Almost anyone with limited skills can create BW agents. The rise of such capabilities also means we now have to be concerned about a myriad of new agents.

- Countries are more and more tightly integrating both their BW and CW production capabilities into apparently legitimate commercial infrastructures, further concealing them from scrutiny.

The United States and its interests remain at risk from increasingly advanced and lethal ballistic and cruise missiles and UAVs. In addition to the longstanding threats from Russian and Chinese missile forces, the United States faces a near-term Intercontinental Ballistic Missile (ICBM) threat from North Korea. Over the next several years, we could face a similar threat from Iran and possibly Iraq.

- Short- and medium-range missiles already pose a significant threat to U.S. interests, military forces, and allies as emerging missile states increase the range, reliability, and accuracy of the missile systems in their inventories.

Several countries of concern remain interested in acquiring a land-attack cruise missile (LACM) capability. By the end of the decade, LACMs could pose a serious threat to not only our deployed forces, but possibly even the U.S. mainland.

Mr. Chairman, I turn now to countries of particular concern, beginning, as you might expect, with North Korea.

The recent behavior of North Korea regarding its longstanding nuclear weapons program makes apparent to all the dangers Pyongyang poses to its region and to the world. This includes developing the capability to enrich uranium, ending the freeze on its plutonium production facilities, and withdrawing from the Non-Proliferation Treaty. If, as seems likely, Pyongyang moves to reprocess spent fuel at the facilities where it recently abrogated the 1994 IAEA-monitored freeze, we assess it could recover sufficient plutonium for several additional weapons.

- North Korea also continues to export complete ballistic missiles and production capabilities along with related raw materials, components, and expertise. Profits from these sales help Pyongyang to support its missile and other WMD development programs, and in turn generate new products to offer to its customers.

Indeed, Mr. Chairman, Kim Jong Il's attempts this past year to parlay the North's nuclear weapons program into political leverage suggest he is trying to negotiate a fundamentally different relationship with Washington—one that implicitly tolerates the North's nuclear weapons program.

- Although Kim presumably calculates the North's aid, trade, and investment climate will never improve in the face of U.S. sanctions and perceived hostility, he is equally committed to retaining and enlarging his nuclear weapons stockpile.

Mr. Chairman, I want to mention our renewed concern over Libya's interest in WMD. Since the suspension of sanctions against Libya in 1999, Tripoli has been able to increase its access to dual-use nuclear technologies. Qadhafi stated in an Aljazeera interview last year that Arabs have "the right" to possess weapons of mass destruction because, he alleges, Israel has them.

- Libya clearly intends to reestablish its offensive chemical weapons capability and has produced at least 100 tons of chemical agents at its Rabta facility, which ostensibly reopened as a pharmaceutical plant in 1995.

China vowed in November 2000 to refrain from assisting countries seeking to develop nuclear-capable ballistic missiles, and last August Beijing promulgated new missile-related export controls. Despite such steps, Mr. Chairman, Chinese firms remain key suppliers of ballistic- and cruise missile-related technologies to Pakistan, Iran, and several other countries.

- Chinese firms may be backing away from Beijing's 1997 bilateral commitment to forego any new nuclear cooperation with Iran. We are monitoring this closely.

We are also monitoring Russian transfers of technology and expertise. Russian entities have cooperated on projects—many of them dual-use—that we assess can contribute to BW, CW, nuclear, or ballistic- and cruise-missile programs in several countries of concern, including Iran. Moscow has, however, reexamined at least some aspects of military-technical cooperation with some countries and has cut back its sensitive nuclear fuel-cycle assistance to Iran.

- We remain alert to the vulnerability of Russian WMD materials and technology to theft or diversion. Russia has the largest inventory of nuclear materials that—unless stored securely—might be fashioned into weapons that threaten U.S. persons, facilities, or interests.

Iran is continuing to pursue development of a nuclear fuel cycle for civil and nuclear weapons purposes. The loss of some Russian assistance has impeded this effort. It is also moving toward self-sufficiency in its biological and chemical weapons programs.

- Tehran is seeking to enlist foreign assistance in building entire production plants for commercial chemicals that would also be capable of producing nerve agents and their precursors.
- As a supplier, Iran in 2002 pursued new missile-related deals with several countries and publicly advertises its artillery rockets, ballistic missiles, and related technologies.

I should also note, Mr. Chairman, that India and Pakistan continue to develop and produce nuclear weapons and the means to deliver them.

China

I'd like to turn now from the transnational issues of terrorism and proliferation to countries and regions of the world where the United States has important interests, beginning with China. I have commented for the past several years on China's great power aspirations and in particular Beijing's efforts to maximize its influence within East Asia relative to the U.S. This is both despite and because global strategic shifts unfolding since September 11 have impressed upon the Chinese the limits of their international influence.

Despite Beijing's continuing skepticism of U.S. intentions in Central and South Asia and its concern that the United States is gaining regional influence at China's expense, Beijing is emphasizing developing a "constructive relationship" with us. Both before and since President Jiang's visit to Crawford last fall, Chinese leaders have been actively seeking a degree of engagement in areas of mutual interest, such as counterterrorism and regional security issues like North Korea.

China's chosen path to long-term regional and global influence runs through economic growth and Chinese integration into the global economy. Beijing calculates that, as China's economic mass increases, so too will the pull of its political gravity. To date, China's successes have been dramatic—and disconcerting to its neighbors.

Despite China's rapid growth, it remains vulnerable to economic fluctuations that could threaten political and social stability. China is increasingly dependent on its external sector to generate GDP growth. Without rapid growth, China will fall even further behind in job creation.

The recent Congress of the Chinese Communist Party marked a leadership transition to a younger political generation but also created a potential division of authority at the top—and, in light of China's profound policy challenges, an additional leadership challenge.

- The former party chief, Jiang Zemin, who is also scheduled to hand over the presidency to his successor in both positions, Hu Jintao, is determined to remain in charge. He retains the chairmanship of the party's Central Military Commission. The new leadership contains many Jiang loyalists and proteges.
- The "next generation" leaders offers policy continuity, but the current setup probably guarantees tensions among leaders uncertain of their own standing and anxious to secure their positions.

Such tensions may well play out on the issue of Taiwan, the matter of greatest volatility in U.S.-China relations. For now the situation appears relatively placid, but recent history shows this can change quickly, given the shifting perceptions and calculations on both sides.

- Chinese leaders seem convinced that all trends are moving in their favor—Taiwan is heavily invested in the mainland and Chinese military might is growing.
- From its perspective, Beijing remains wary of nationalist popular sentiment on Taiwan and of our arms sales to and military cooperation with Taipei.

As for Taiwan President Chen's part, he may feel constrained by internal political and economic problems and by Beijing's charm offensive. As he approaches his reelection bid next year, Chen may react by reasserting Taiwan's separate identity and expanding its international diplomacy.

In this regard, our greatest concern is China's military buildup. Last year marked new high points for unit training and weapons integration—all sharply focused on the Taiwan mission and on increasing the costs for any who might intervene in a regional Chinese operation. We anticipate no slowdown in the coming year.

Russia

Moving on to Russia, Mr. Chairman, I noted last year that well before September 11, President Putin had moved toward deeper engagement with the United States. I also observed that the depth of domestic support for his foreign policy was unclear and that issues such as NATO enlargement and U.S. missile defense policies would test his resolve. Since then, Putin has reacted pragmatically to foreign policy challenges and has shown leadership in seeking common ground with the United States while still asserting Russia's national interests.

- This was apparent in Russia's low-key reaction to the decision to invite the Baltics into NATO and in its serious attitude toward the new NATO-Russia Council, and in reconsidering some of it military-technical cooperation with proliferation states of concern.
- Moscow eventually supported U.N. Security Council Resolution 1441 on Iraq and has been a reliable partner in the war on terrorism.

International terrorist groups' presence and activities in and around Russia are influencing Russia's policies, sometimes in ways that complicate Moscow's relations with neighboring states. For example, the presence in Georgia's Pankisi Gorge of Chechen fighters and some of their foreign Mujahideen backers have generated new tensions in Russian-Georgian relations. These tensions were highlighted on the 1-year anniversary of the September 11 attacks, when Putin threatened unilateral force against Georgia because he was not satisfied Tbilisi had, in his words, taken action to prevent Georgian-based terrorists from entering Russia.

Similarly, the war in Chechnya is complicated by the continued influence of radical Chechen and foreign Islamists—some of whom have ties to al Qaeda. The takeover of the Moscow theater in October proved counterproductive to the terrorists' aim of forcing Russia to withdraw from Chechnya. Indeed, the Kremlin has turned this to its advantage by tying the Chechen opposition to international terrorism.

- Meanwhile, over the past year the war in Chechnya entered a new, brutal phase. Russian security service units have targeted suspected guerrillas and their supporters and punished their families. Chechen guerrillas, for their part, continued to kill pro-Moscow officials and their families.

Putin has no clear domestic rivals for power as he enters an election season that culminates in parliamentary elections in December and presidential elections in March 2004.

Putin has sought to recentralize power in Moscow. He exercises considerable influence over both houses of parliament and the national electronic news media.

- While Putin has reined in some powerful political figures—a few of the governors and so-called "oligarchs"—in many cases he has negotiated a balance of interests.

Putin still hopes to transform Russia over the long term into a power of global prominence, but his comments since late 2001 have contained more emphasis on raising the country's economic competitiveness. To this end, his government has set out a goal of narrowing the huge gap in living standards between Russians and Europeans and seeks to advance an ambitious structural reform program.

- Over the past 3 years, the Russian Government has made real progress on reform objectives by cutting tax and tariff rates, legalizing land sales, and strengthening efforts to fight money laundering.
- Moscow has used its largely oil-driven revenue growth to pay down the country's external public sector debt to a moderate level of 40 percent of GDP, half the level of only a few years ago.

Such reforms are promising, but success ultimately hinges upon the sustained implementation of reform legislation. A risk exists that the government will delay critical reforms of state-owned monopolies and the bloated, corrupt bureaucracy—which Putin himself has highlighted as a major impediment—to avoid clashes with key interest groups before the March 2004 Presidential election. Moreover, Russia's economy remains heavily dependent on commodity exports, which account for 80 percent of all Russian exports and leaves future growth vulnerable to external price shocks.

Iran

We watch unfolding events in Iran with considerable interest, Mr. Chairman, because despite its antagonism to the United States, developments there hold some promise as well. Iranian reformers seeking to implement change have become increasingly frustrated by conservatives' efforts to block all innovation. We see the dueling factions as heading for a showdown that seems likely to determine the pace and direction of political change in Iran. Within the next several weeks a key test will come as reformers try to advance two pieces of legislation—bills that would reform the electoral process and significantly expand presidential powers—they claim will benchmark their ability to achieve evolutionary change within the system.

- Some reformist legislators have threatened to resign from government if conservatives block the legislation. Others have argued for holding a referendum on reform if opponents kill the bills.
- Comments from the hardline camp show little flexibility—and indeed some opponents of reform are pressing hard to dismantle the parties that advocate political change.

As feuding among political elites continues, demographic and societal pressures continue to mount. Iran's overwhelmingly young population—65 percent of Iran's population is under 30 years old—is coming of age and facing bleak economic prospects and limited social and political freedoms. Strikes and other peaceful labor unrest are increasingly common. These problems—and the establishment's inflexibility in responding to them—drive widespread frustration with the regime.

- Weary of strife and cowed by the security forces, Iranians show little eagerness to take to the streets in support of change. The student protests last fall drew only 5,000 students out of a student population of more than 1 million.
- But more and more courageous voices in Iran are publicly challenging the right of the political clergy to suppress the popular will—and they are gaining an audience.

Given these developments, we take the prospect of sudden, regime threatening unrest seriously and continue to watch events in Iran with that in mind. For now, our bottom line analysis is that the Iranian regime is secure, but increasingly fragile. The reluctance of reformist leaders to take their demands for change to the street, coupled with the willingness of conservatives to repress dissent, keeps the population disengaged and maintains stability.

- We are currently unable to identify a leader, organization, or issue capable of uniting the widespread desire for change into a coherent political movement that could challenge the regime.
- In addition, we see little indication of a loss of nerve among the opponents of reform, who have publicly argued in favor of using deadly force if necessary to crush the popular demand for greater freedom.

Although a crisis for the regime might come about if reformers were to abandon the government or hardliners were to initiate a broad suppression on leading advocates of change, the resulting disorder would do little to alleviate U.S. concern over Iran's international behavior. Conservatives already control the more aggressive aspects of Iranian foreign policy, such as sponsoring violent opposition to Middle East peace.

- No Iranian Government, regardless of its ideological leanings, is likely to willingly abandon WMD programs that are seen as guaranteeing Iran's security.

South Asia

On the Pakistan-India border, the underlying cause of tension is unchanged, even though India's recent military redeployment away from the border reduced the danger of imminent war. The cycles of tension between India and Pakistan are growing shorter. Pakistan continues to support groups that resist India's presence in Kashmir in an effort to bring India to the negotiating table. Indian frustration with continued terrorist attacks—most of which it attributes to Pakistan—causes New Delhi to reject any suggestion that it resume a dialogue with Islamabad.

- Without progress on resolving Indian-Pakistani differences, any dramatic provocation—like 2001's terrorist attack on the Indian parliament by Kashmir militants—runs a high risk of sparking another major military deployment.

I also told you last year, Mr. Chairman, that the military campaign in Afghanistan had made great progress but that the road ahead was full of challenges. This is no less true today. Given what Afghanistan was up against at this time last year, its advances are noteworthy, with impressive gains on the security, political, and reconstruction fronts.

- Milestones include establishing the Afghan Interim Authority, holding the Emergency Loya Jirga in June 2002 to elect a President and decide on the composition of the Afghan Transitional Authority (ATA), and establishing judicial, constitutional, and human rights commissions.
- The country is relatively stable, and Kabul is a safer place today than a year ago. The presence of Coalition Forces has provided security sufficient for aid organizations and non-governmental organization's (NGO) to operate. Six battalions of what will be the Afghan National Army have been trained by the U.S. and coalition partners to date.
- The Afghan Government also has made great strides in the reconstruction of the beleaguered economy. More than $1 billion in foreign aid has helped repatriate Afghan refugees, re-opened schools, and repaired roads. The ATA introduced a new currency, and instituted trade and investment protocols.

That said, daunting, complex challenges lie ahead that include building institutional barriers against sliding back into anarchy. Opposition elements, such as Taliban remnants and Hezbi-Islami and al Qaeda fighters, remain a threat to the Afghan Government and to Coalition Forces in the eastern provinces. At the same time, criminal activity, such as banditry and periodic factional fighting continue to undermine security. Sustained U.S. and international focus is essential to continue the progress we and the Afghans have made.

- The Afghans will also have to decide politically contentious issues such as how the new constitution will address the role of Islam, the role sharia law will play in the legal system, and the structure of the next Afghan Government. Other major hurdles include bringing local and regional tribal leaders into the national power structure.
- Several Bonn Agreement deadlines are looming, including the concerning of a constitutional Loya Jirga by December 2003 (within 18 months of the establishment of the ATA) and holding free and fair elections of a representative national government no later than June 2004.
- Much effort is needed to improve the living standards of Afghan families, many of whom have no steady source of income and lack access to clean drinking water, health care facilities, and schools.

What must be avoided at all costs is allowing Afghanistan to return to the internecine fighting and lawlessness of the early 1990s, which would recreate conditions for the rise of another fanatical movement.

Transnational Threats

Mr. Chairman, I'd like to address now a range of key transnational issues that have an immediate bearing on America's national security and material well-being. They are complex, evolving, and have far-reaching consequences.

Globalization—while a net plus for the global economy—is a profoundly disruptive force for governments to manage. China and India, for example, have substantially embraced it and retooled sectors to harness it to national ends, although in other countries it is an unsought reality that simply imposes itself on society. For example, many of the politically and economically rigid Arab countries are feeling many of globalization's stresses—especially on the cultural front—without reaping the economic benefits.

- Latin America's rising populism exemplifies the growing backlash against globalization in countries that are falling behind. Last year Brazil's President, "Lula" da Silva, campaigned and won on an expressly anti-globalization populist platform.
- U.N. figures point out that unemployment is particularly problematic in the Middle East and Africa, where 50 to 80 percent of those unemployed are younger than 25. Some of the world's poorest and often most politically unstable countries—including Afghanistan, Pakistan, Haiti, Iraq, Yemen, and several nations in Sub-Saharan Africa—are among the countries with the youngest populations in the world through 2020.

Among the most unfortunate worldwide are those infected with HIV. The HIV/AIDS pandemic continues unabated, and last year more than 3 million people died of AIDS-related causes. More than 40 million people are infected now, and Southern Africa has the greatest concentration of cases.

- That said, the intelligence community recently projected that by 2010, we may see as many as 100 million HIV-infected people outside Africa. China will have about 15 million cases and India will have 20 to 25 million—higher than estimated for any country in the world.
- The national security dimension of the virus is plain: it can undermine economic growth, exacerbate social tensions, diminish military preparedness, create huge social welfare costs, and further weaken already beleaguered states. The virus respects no border.

But the global threat of infectious disease is broader than AIDS. In Sub-Saharan Africa the leading cause of death among the HIV-positive is tuberculosis. One-third of the globe has the tuberculosis bacillus. At least 300 million cases of malaria occur each year, with more than a million deaths. About 90 percent of these are in Sub-Saharan Africa—and include an annual 5 percent of African children under the age of 5.

Mr. Chairman, the world community is at risk in a number of other ways.

- The 35 million refugees and internally displaced persons in need of humanitarian assistance are straining limited resources. Substantial aid requirements in southern Africa, the Horn of Africa, Afghanistan, and North Korea, plus expected needs this year in Iraq, Cote d'Ivoire, and elsewhere in Africa will add up to an unprecedented demand for food and other humanitarian assistance. Worldwide emergency assistance needs are likely to surpass the record $8 to $10 billion donors provided last year for humanitarian emergencies.
- Food aid requirements this year will rise more sharply than other categories of humanitarian assistance, particularly in Sub-Saharan Africa, because of drought, instability, HIV/AIDS, and poor governance. Preliminary estimates put the total food aid needed to meet emergency appeals and long-term food aid commitments at about 12 million metric tons, 4 million tons greater than estimated aid supplies.

Other Hotspots

Mr. Chairman, Sub-Saharan Africa's chronic instability will demand U.S. attention. Africa's lack of democratic institutionalization combined with its pervasive ethnic rifts and deep corruption render most of the 48 countries vulnerable to crises that can be costly in human lives and lost economic growth. In particular, the potential is high for Nigeria and Kenya to suffer setbacks in the next year.

- Growing ethnic and religious strife, rampant corruption, and a weak economy will test Nigeria's democracy before and after the April 2003 election. Its offshore oil areas provide 9 percent of U.S. crude oil imports and are insulated from most unrest, but relations with Washington could rup-

ture if yet another military regime assumes power in Nigeria during a domestic upheaval.

- After 24 years of President Moi's rule, the new president and ruling coalition in Kenya face many challenges, including preserving their shaky alliance while overhauling the constitution. Kenyans' severe economic woes and sky-high expectations for change do not bode well for the coalition's stability this year.

In addition, other failed or failing African states may lead to calls for the United States and other major aid donors to stabilize a range of desperate situations. In Zimbabwe, President Mugabe's mismanagement of the economy and clampdown on all political opposition may touch off serious unrest and refugee flows in coming months.

- Cote d'Ivoire is collapsing, and its crash will be felt throughout the region, where neighboring economies are at risk from the fall-off in trade and from refugees fleeing violence.

Regarding Latin America, Mr. Chairman, Colombian President Uribe is off to a good start but will need to show continued improvements in security to maintain public support and attract investment. He is implementing his broad national security strategy and moving aggressively on the counterdrug front—with increased aerial eradication and close cooperation on extradition. The Armed Forces are gradually performing better against the FARC. Meanwhile, the legislature approved nearly all Uribe's measures to modernize the government and stabilize its finances.

- Although Uribe's public support is strong, satisfying high popular expectations for peace and prosperity will be challenging. Security and socioeconomic improvements are complex and expensive. The drug trade will continue to thrive until Bogota can exert control over its vast countryside.
- FARC insurgents are well-financed by drugs and kidnappings, and they are increasingly using terrorism against civilians and economic targets—as they demonstrated last weekend in a lethal urban attack—to wear away the new national will to fight back.

Venezuela—the third largest supplier of petroleum to the United States—remains in mid-crisis. The standoff between Hugo Chavez and the political opposition appears headed toward increased political violence despite the end of the general strike, which is still being honored by oil workers.

- Because many oil workers have returned to work, the government is gradually bringing some of the oil sector back on line. Nevertheless, a return to full pre-strike production levels remains months. Oil production through March will probably average less than 2 million barrels per day—1 million barrels per day below pre-strike levels.
- Meanwhile, Chavez, focused on crippling longtime enemies in the opposition, states he will never resign and has balked at requests for early elections.

Finally, Mr. Chairman, after several years of modest progress toward normalization in the Balkans, the situation is beginning to deteriorate. Although we are unlikely to see a revival of large-scale fighting or ethnic cleansing, the development of democratic government and market economies in the region has slowed. Moreover, crime and corruption remain as major problems that are holding back progress.

- International peacekeeping forces led by NATO exert a stabilizing influence, but the levels of support provided by the international community are declining.
- The real danger, Mr. Chairman, is that the international community will lose interest in the Balkans. If so, the situation will deteriorate even further.

Thank you, Mr. Chairman. I welcome any questions you and the members of the committee may have for me.

Mr. TENET. Mr. Chairman, I would like to conclude and respond to Senator Levin's comments about data and inspectors. I'd like to be quite formal about this.

Chairman WARNER. I want you to have that opportunity and what I'd like to do is give it to you immediately following the Admiral's statement. You will be given time to reply and I will comment myself.

STATEMENT OF VICE ADM. LOWELL E. JACOBY, USN, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

Admiral JACOBY. Defense intelligence today is at war on a global scale. We are committed in support of our military forces fighting in the war on terrorism in Afghanistan. We provide warning and intelligence support for force protection of our military deployed worldwide, even as they increasingly are targeted by terrorists. Detailed intelligence is essential long before forces are deployed. This detailed effort, termed intelligence preparation of the battlespace, has been ongoing for many months to support potential force deployment in Iraq.

Other defense intelligence resources are committed to careful assessment of the dangerous situation on the Korean peninsula. Defense intelligence is also providing global awareness, meaning we are watching for developments that might require U.S. military employment. These situations range from internal instability and threats of coups that could require evacuation of American citizens to interdiction of shipments of materials associated with WMD. We recognize that we are expected to know something about everything and it is a daunting task for those already at war on a global scale.

Beginning with global terrorists, despite our significant successes to date, terrorism remains the most immediate threat to U.S. interests at home and abroad. A number of terrorists groups, including the FARC in Colombia, various Palestinian organizations and Lebanese Hizbollah, have the capability to do us harm. I am most concerned about the al Qaeda network. It has a considerable amount of seasoned operatives and draws support from an array of legitimate and illegitimate entities. The network is adaptable, flexible, and extremely agile.

At this point, sir, I defer to Director Tenet's comments about the al Qaeda network. We are certainly in agreement with his conclusions. In Iraq, Saddam Hussein seems determined to retain his WMD programs and become the dominant regional power. He recognizes the seriousness of the current situation but may think that he can outwit the international community by feigning cooperation with U.N. weapons inspectors, hiding proscribed weapons and activities, playing on regional and global anti-American sentiments, and aligning himself with the Palestinian cause. Saddam's penchant for brinksmanship and miscalculation increases the likelihood that he will continue to defy international will and relinquish his WMD and related programs.

In North Korea, Pyongyang's open pursuit of additional nuclear weapons is the most serious challenge to the U.S. and Northeast Asia in a generation. The outcome of this situation will shape relations in that region for years to come. While North Korea's new hard-line approach is designed to drawn concessions from the United States, Pyongyang's desire for nuclear weapons reflects a long-term strategic goal that will not be easily abandoned.

In the global situational awareness arena, while terrorism and Iraq have our immediate attention, we also must assess global developments to provide strategic warning on a wide spectrum of global threats. We continue to generate requisite intelligence to

give our leaders opportunity to preclude, dissuade, deter or defeat dissuade emerging threats.

Mr. Chairman, there are a number of other of issues that include weapons of mass destruction, international crime, instability in several key states and regions, and assessments with respect to Russia, China, South Korea, parts of Europe, Latin America, and the Middle East. These are all important. They are all included in my written testimony. But in the interest of time, I end my opening remarks here and defer these issues to the question and answer session. Thank you.

[The prepared statement of Admiral Jacoby follows:]

PREPARED STATEMENT BY VICE ADM. LOWELL E. JACOBY, USN

Defense Intelligence today is at war on a global scale. We are committed in support of military forces fighting the war on terrorism in Afghanistan and other locations where war might take us. We provide warning and intelligence for force protection of our military deployed worldwide even as they increasingly are targeted by terrorists. Detailed intelligence is essential long before forces are deployed. This detailed effort, termed Intelligence Preparation of the Battlespace, has been ongoing for many months to support potential force employment in Iraq. Other Defense Intelligence resources are committed to careful assessment of the dangerous situation on the Korean Peninsula. Defense Intelligence is also providing global awareness, meaning we're watching for developments that might require U.S. military employment. These situations range from internal instability and threat of coups that could require evacuation of American citizens, to interdiction of shipments of materials associated with weapons of mass destruction. We recognize that we're called upon to "know something about everything" and it's a daunting task for those already at war on a global scale. Our sustained level of crisis and operational commitment is straining personnel, equipment, and resources, and reducing time for "sustaining" activities such as training, education, data base maintenance, and longer-term research and analysis. I am increasingly concerned that our Defense Intelligence capability is being stretched too thin and that we are being forced to sacrifice longer-term capabilities in order to respond to today's requirements.

NEAR TERM PRIORITIES

Within the broader global context, my most important current priorities are supporting the global war on terrorism, retaining our readiness to support any military missions that may be assigned, Iraq, monitoring the North Korea situation, and maintaining the global situational awareness required to warn decision-makers of emerging crises.

Global Terrorism

Despite our significant successes to date, terrorism remains the most immediate threat to U.S. interests at home and abroad. A number of terrorist groups—including the FARC in Colombia, various Palestinian organizations, and Lebanese Hizballah—have the capability to do us harm. But I am most concerned about the al Qaeda network.

Al Qaeda retains a presence on six continents, with key senior leaders still at large. It has a corps of seasoned operatives and draws support from an array of legitimate and illegitimate entities. The network is adaptive, flexible, and arguably, more agile than we are. Eager to prove its capabilities in the wake of significant network losses, al Qaeda had its most active year in 2002—killing hundreds in Bali, striking a French oil tanker off the coast of Yemen, attacking marines and civilians in Kuwait, murdering a U.S. diplomat in Jordan, bombing a hotel popular with foreign tourists in Mombassa, attacking a synagogue in Tunisia, and attempting to down an Israeli airliner.

Al Qaeda remains focused on attacking the U.S., but I expect increasing attacks against our allies—particularly in Europe—as the group attempts to widen its campaign of violence and undermine coalition resolve. I'm also very concerned about the potential for more attacks using portable surface-to-air missiles (SAMs) with civilian airliners as the key target. Al Qaeda and other terrorist groups are seeking to acquire chemical, biological, radiological, and nuclear capabilities, and we are working to prevent their use of WMD. Radiological Dispersal Devices (RDD) or "dirty bombs," pose a particular problem. An RDD is simple to make, consisting of conven-

tional explosives and radiological materials widely available from legitimate medical, academic, and industrial activities.

Iraq

Saddam Hussein appears determined to retain his WMD and missile programs, reassert his authority over all of Iraq, and become the dominant regional power. He recognizes the seriousness of the current situation, but may think he can "outwit" the international community by feigning cooperation with U.N. weapons inspectors, hiding proscribed weapons and activities, playing on regional and global "anti-American" sentiments, and aligning himself with the "Palestinian cause." Saddam's penchant for brinksmanship and miscalculation increases the likelihood that he will continue to defy international will and refuse to relinquish his WMD and related programs. Should military action become necessary to disarm Saddam, he will likely employ a host of desperate measures.

- Saddam's conventional military options and capabilities are limited, but I expect him to preemptively attack the Kurds in the north and conduct missile and terrorist attacks against Israel and U.S. regional or worldwide interests—perhaps using WMD and the regime's links with al Qaeda.
- He will certainly attempt to energize "the Arab street," calling for attacks against U.S. and allied targets and encouraging actions against Arab governments that support us.
- If hostilities begin, Saddam is likely to employ a "scorched-earth" strategy, destroying food, transportation, energy, and other infrastructures, attempting to create a humanitarian disaster significant enough to stop a military advance. We should expect him to use WMD on his own people, to exacerbate humanitarian conditions, complicate allied operations, and shift world opinion away from his own transgressions by blaming us.

North Korea

Pyongyang's open pursuit of additional nuclear weapons is the most serious challenge to U.S. regional interests in a generation. The outcome of this current crisis will shape relations in Northeast Asia for years to come. While the North's "new" hard-line approach is designed to draw concessions from the United States, Pyongyang's desire for nuclear weapons reflects a long term strategic goal that will not be easily abandoned. Three factors complicate the issue.

- North Korea's chronic proliferation activities are troubling in their own right today, and an indication that the North would be willing to market nuclear weapons in the future.
- Development of the Taepo Dong 2 (TD–2) missile, which could target parts of the U.S. with a nuclear weapon-sized payload in the two-stage configuration, and has the range to target all of North America if a third stage were used.
- Pyongyang's significant military capabilities, composed of large, forward deployed infantry, armor, and artillery forces, a full range of WMD (including perhaps two nuclear weapons), and hundreds of short- and medium-range missiles, capable of striking all of South Korea and Japan. War on the peninsula would be violent, destructive, and could occur with very little warning.

Pyongyang will continue its hard-line rhetoric, while moving forward with "start-up" and reprocessing activities at the Yongbyon nuclear facility. Kim Jong Il has a number of options for ratcheting-up the pressure, to include: increasing efforts to drive a wedge between the U.S. and other regional states; provocative actions along the Demilitarized Zone; increasing military training and readiness; and conducting large-scale military exercises or demonstrations, including a missile launch or nuclear weapons test.

Global Situational Awareness

While terrorism, Iraq, and North Korea have our immediate attention, they are not the only challenges we face. We must assess global developments to provide strategic warning on a wide spectrum of potential threats. We continue to generate the requisite intelligence to give our leaders the opportunity to preclude, dissuade, deter, or defeat emerging threats.

ENDURING GLOBAL REALITIES

The situations outlined above, and others we have to contend with, have their basis in a number of "fundamental realities" at work in the world. These are enduring—no power, circumstance, or condition is likely to emerge in the next decade ca-

pable of overcoming them and creating a less turbulent global environment. Collectively, they create the conditions from which threats and challenges emerge, and they define the context in which U.S. strategy, interests, and forces operate.

Reactions to U.S. Dominance

Much of the world is increasingly apprehensive about U.S. power and influence. Many are concerned about the expansion, consolidation, and dominance of American values, ideals, culture, and institutions. Reactions to this sensitivity to growing "Americanization" can range from mild 'chafing' on the part of our friends and allies, to fear and violent rejection on the part of our adversaries. We should consider that these perceptions, mixed with angst over perceived "U.S. unilateralism" will give rise to significant anti-American behavior.

Globalization

The increasing global flow of money, goods, services, people, information, technology, and ideas remains an important influence. Under the right conditions, globalization can be a very positive force, providing the political, economic, and social context for sustained progress. But in those areas unable to exploit these advantages, it can leave large numbers of people seemingly worse off, exacerbate local and regional tensions, increase the prospects and capabilities for conflict, and empower those who would do us harm. Our greatest challenge may be encouraging and consolidating the positive aspects of globalization, while managing and containing its "downsides."

Uneven Economic and Demographic Growth

The world will add another billion people over the next 10 to 15 years, with 95 percent of that increase occurring in developing nations. Rapid urbanization continues—some 20–30 million of the world's poorest people migrate to urban areas each year. Economic progress in many parts of Asia, Africa, the Middle East, and Latin America will not keep pace with population increases. These conditions strain the leadership, resources, and infrastructures of developing states. Corrupt and ineffective governments particularly are unable to cope. Their actions marginalize large numbers of people, foster instability, spawn ethnic, religious, and cultural conflict, create lawless safe-havens, and increase the power of dangerous non-state entities. In some areas, particularly in the Middle East, rising unemployment among expanding youth populations, stagnant or falling living standards, ineffective governments, and decaying infrastructures create environments conducive to extremist messages.

General Technology Proliferation

Advances in information processing, biotechnology, communications, materials, micro-manufacturing, and weapons development are having a significant impact on the way people live, think, work, organize, and fight. New vulnerabilities, interdependencies, and capabilities are being created in both advanced and less developed states. The globalization of "R&D intensive" technologies is according smaller countries, groups, and individuals access to capabilities previously limited to major powers. The integration of various advancements, and unanticipated applications of emerging technologies, makes it extremely difficult to predict the technological future. Surprises will result. Some aspects of our technological advantage are likely to erode.

Weapons of Mass Destruction and Missile Proliferation

The long-term trends with respect to WMD and missile proliferation are bleak. States seek these capabilities for regional purposes, or to provide a hedge to deter or offset U.S. military superiority. Terrorists seek greater physical and psychological impacts. The perceived "need to acquire" is intense and, unfortunately, globalization provides a more amenable proliferation environment. Much of the technology and many of the raw materials are readily available. New alliances have formed, pooling resources for developing these capabilities, while technological advances and global economic conditions make it easier to transfer materiel and expertise. The basic sciences are widely understood, although the complex engineering tasks required to produce an effective weapons capability are not achieved easily.

Some 25 countries possess or are actively pursuing WMD or missile programs. The threat to U.S. and allied interests will grow during the next decade.

- *Chemical and biological weapons.* These are generally easier to develop, hide, and deploy than nuclear weapons and are more readily available. Over a dozen states have biological or chemical warfare programs, including stockpiles of lethal agents. The associated technologies are relatively inexpensive, and have "legitimate" uses in the medical, pharmaceutical, and agricultural industries. Detection and counter proliferation are very difficult.

I expect these weapons will be used in a regional conflict and by a terrorist group.

• *Nuclear weapons.* Iran and Iraq have active nuclear programs and could have nuclear weapons within the decade. North Korea is seeking additional fissile material to increase its nuclear stockpile and its withdrawal from the Nuclear Non-Proliferation Treaty—the first state ever to do so—may prompt other nations to rethink their positions on nuclear weapons. India and Pakistan will increase their inventories and seek to improve associated delivery systems.

• *Ballistic and cruise missiles.* In addition to existing Russian and Chinese capabilities, by 2015 the U.S. will likely face new ICBM threats from North Korea, Iran, and possibly Iraq. Meanwhile, the proliferation of theater-range ballistic and cruise missiles, and associated technologies, is a growing challenge. The numbers, ranges, accuracies, mobility, and destructive power of these systems will increase significantly, providing many states capabilities to strike targets within and beyond their region.

• *Proliferation.* Russia, China, and North Korea are the suppliers of primary concern, but I expect an increase in Pakistani and Iranian proliferation. Russia remains involved in ballistic missile and nuclear programs in Iran. China has provided missile assistance to Iran and Pakistan, and may be connected to nuclear efforts in both states. North Korea is the world's primary source of ballistic missiles and related components and materials. Finally, I worry about the prospect of secondary proliferation—today's technology importers becoming tomorrow's exporters. Iran is beginning to provide missile production technologies to Syria. Over time, Iran, like North Korea today, may have the capability to export complete missile systems. It is also critical for governments that are not involved in proliferation to strengthen export control laws and enforcement to prevent entities from proliferating sensitive technologies.

• *Declining global defense spending.* Global defense spending has dropped 50 percent during the past decade and, with the exception of some parts of Asia, is likely to remain limited. This trend will have multiple impacts. First, both adversaries and allies will not keep pace with the U.S. military. This drives foes toward "asymmetric options," widens the capability gap between U.S. and allied forces, and increases the demand on unique U.S. force capabilities. Additional, longer-term impacts on global defense technology development and on U.S.-allied defense industrial cooperation and technological competitiveness are likely. Finally, defense resource constraints, declining arms markets, and globalization are leading to a more competitive global armaments industry. In this environment, technology transfer restrictions and arms embargoes will be more difficult to maintain, monitor, and enforce.

• *International crime.* Criminal groups in Western Europe, China, Colombia, Israel, Japan, Mexico, Nigeria, and Russia are broadening their global activities and are increasingly involved in narcotics trafficking, alien smuggling, and illicit transfers of arms and other military technologies. My major concern is over the growing link between terrorism and organized crime, especially the prospect that organized criminal groups will use their established networks to traffic in nuclear, biological, and chemical weapons, and to facilitate movement of terrorist operatives.

• *Increasing numbers of people in need.* A host of factors—some outlined above—have combined to increase the numbers of people facing deepening economic stagnation, political instability, and cultural alienation. These conditions provide fertile ground for extremism. Their frustration is increasingly directed at the U.S. and the west.

Other Regional Issues

There are a number of other regional situations we must monitor because of their potential to develop into more serious challenges.

Israeli-Palestinian Violence

The prolonged Israeli-Palestinian conflict is furthering anti-American sentiment, increasing the likelihood of terrorism directed at U.S. interests, increasing the pressure on moderate Middle East regimes, and carries with it the potential for wider regional conflict. With each side determined to break the other's will, I see no end to the current violence.

Tension Between India and Pakistan

After last year's military standoff along the Line-of-Control (LOC), both Islamabad and Delhi took steps to defuse tensions. But with the Kashmir situation still unresolved and with continued cross border infiltration from Pakistan, the potential for miscalculation remains high, especially in the wake of some violent 'triggering' event such as another spectacular terrorist attack or political assassination. Both sides retain large forces close to the tense LOC and continue to develop their WMD and missile programs. Recent elections have hardened India's resolve and constrain Musharraf's ability to offer additional concessions.

Pressures in the Muslim World

The Islamic would is sorting through competing visions of what it means to be a Muslim state in the modern era. Unfavorable demographic and economic conditions and efforts to strike a balance between modernization and respect for traditional values are exacerbated by the global war on terrorism, continued Israeli-Palestinian violence, and the Iraqi situation. This fosters resentment toward the west and makes it difficult to define the vision of a modern Islamic state. These pressures will be most acute in states important to the U.S., including Pakistan, Afghanistan, Indonesia, Egypt, Jordan, and Saudi Arabia. Even in countries where Muslim populations are a minority, such as the Philippines, there are threats from the extremist fringe bent on the violent overthrow of democratic rule.

- *Pakistan.* While Pakistan is making progress in its return to a functioning democracy, President Musharraf faces significant political and economic challenges and continued opposition. Musharraf claims little influence over the Kashmiri militants and other religious extremists, and Pakistan does not completely control areas in the northwest where concentrations of al Qaeda and Taliban remain. Popular hostility to the United States is growing, driven in part by cooperation between Washington and Islamabad against terrorism. Islamist opponents of the current government, or religious extremists, could try to instigate a political crisis through violent means. Coup or assassination could result in an extremist Pakistan.
- *Afghanistan.* President Karzai is making progress in stabilizing the political situation, but continues to face challenges from some local and regional leaders, criminals, and remnant al Qaeda and Taliban elements. Assassination of President Karzai would fundamentally undermine Afghan stability.
- *Indonesia.* President Megawati is attempting to deal with serious social and economic problems and to confront Islamic extremists, without undermining her support from moderate Muslims. Her failure would increase the popular appeal of radical elements.
- *Egypt, Jordan, Saudi Arabia.* The leadership in all three countries is subject to increased pressure, but each probably has the capacity to contain serious unrest. However, in a worst-case scenario of mass protests that threatened regime control, their support for U.S. basing, overflights, and the war on terrorism would likely be withdrawn.

OTHER MAJOR REGIONAL ACTORS

Iran

As the recent protests in Tehran attest, Iran is a country with growing internal tensions. Most Iranians want an end to the clerical rule of the Ayatollahs. Mohammed Khatami, Iran's president, received the bulk of his now-waning support from minorities, youths, and women when he first won the elections. He is also vulnerable to being forced aside by the religious conservatives who have held power since 1979. Iran's conservatives remain in control and continue to view the U.S. with hostility. Iran remains the leading state-sponsor of terrorism. For instance, it has provided safe-haven to al Qaeda and remains the principal source of military supplies and financial support for Hizballah. For these reasons, I remain concerned with Tehran's deliberate military buildup.

- Iran is pursuing the fissile material and technology required to develop nuclear weapons. It uses its contract with Russia for the civilian Bushehr nuclear reactor to obtain sensitive dual-use technologies that directly support its weapons program. If successful, Tehran will have a nuclear weapon within the decade.
- Iran has a biological warfare program and continues to pursue dual-use biotechnology equipment and expertise from Russian and other sources. It maintains a stockpile of chemical warfare agents and may have weaponized some of them into artillery shells, mortars, rockets, and aerial bombs.

- Teheran has a relatively large ballistic missile force—hundreds of Chinese CSS–8s, SCUD Bs and SCUD Cs—and is likely assembling additional SCUDs in country. It is also developing longer-range missiles and continues to test the Shahab-3 (1,300 km range). Iran is pursing the technology to develop an ICBM/space launch vehicle and could flight test that capability before the end of the decade. Cooperation with Russian, North Korean, and Chinese entities is critical to Tehran's ultimate success.
- Iran's navy is the most capable in the region and could stem the flow of oil from the Gulf for brief periods by employing a layered force of diesel-powered KILO submarines, missile patrol boats, naval mines, and sea and shore-based anti-ship cruise missiles. Aided by China, Iran is developing potent anti-ship cruise missile capabilities and is working to acquire more sophisticated naval capabilities.

Russia

Moscow's muted reaction to NATO enlargement and the U.S. withdrawal from the ABM Treaty, its cooperation in the war on terrorism, and its acceptance of a U.S. military presence in Central Asia emphasize President Putin's commitment to closer integration with the west. I am hopeful the current cooperative atmosphere can be built upon to form a more positive and lasting security relationship. That said, there are no easy solutions to the tremendous challenges confronting Russia. I remain concerned about Russian proliferation of advanced military and WMD technologies, the security of its nuclear materials and weapons, the expanding global impact of Russian criminal syndicates, and unfavorable demographic trends.

Meanwhile, the Russian Armed Forces continue in crisis. Moscow's defense expenditures are inadequate to overcome the problems associated with a decade of military neglect, much less fund Russia's plans for military reform, restructuring, and modernization. Even priority strategic systems have not been immune to the problems affecting the Russian military. The deployment of the SS–27 ICBM is now several years behind schedule. Overall system aging, chronic underfunding, and arms control agreements ensure that Russian strategic warhead totals will continue to decline—from approximately 4,500 operational today to a level near 1,500 by 2010. For at least the next several years, the military will continue to experience shortfalls in pay, housing, procurement, and training. These factors, the war in Chechnya, and inconsistent leadership, will undermine morale and readiness.

China

In November 2002, the Chinese Communist Party (CCP) held its 16th Congress. Vice President Hu Jintao was selected as CCP General Secretary and Jiang Zemin was re-appointed Chairman of the Central Military Commission. Beijing is stressing stability during this period of transition and I expect few changes to China's national priorities, including military modernization.

- China's total military spending will continue growing at about the same rate as the economy. Beijing spent between $40 and $65 billion on defense last year (about 5 percent of GDP) and is content with that rate of investment.
- Strategic force modernization is a continuing priority. China is becoming less reliant on the vulnerable, silo-based CSS–4 ICBM by transitioning to a mix of more survivable, mobile, and solid propellant ICBMs. Three new strategic missiles will likely be fielded: the road-mobile DF–31, an extended range DF–31 variant, and a new submarine launched ballistic missile, which will deploy on a new ballistic missile submarine.
- The People's Liberation Army (PLA) will sustain its focus on acquiring high-technology arms—especially air, air defense, anti-submarine, anti-surface ship, reconnaissance, and battle management capabilities—and will continue to emphasize the professionalization of the officer corps. These elements are essential to Beijing's force design concept—pursing the capability to operate against a 'high-technology' opponent employing long-range precision strike capabilities—in other words, the United States. China also is rapidly expanding its conventionally-armed theater missile force, some of which can target U.S. bases in the region, to provide increased leverage against Taiwan and, to a lesser extent, other U.S. Asian allies.

COPING WITH U.S. POWER

Our opponents understand they cannot match our political, economic, and military power. Accordingly, they seek to avoid decisive engagements and act indirectly, hoping to extract a price we are unwilling to pay, or to present us with capabilities

and situations we cannot react to in a timely manner. They want to fundamentally change the way others view the United States. This could include: undermining our political, economic, and social infrastructures, thwarting U.S. global leadership, undermining our will to remain globally engaged, and curtailing the global appeal of our ideas, institutions, and culture.

Threats to the Homeland

Many adversaries believe the best way to avoid, deter, or offset U.S. power is to develop a capability to threaten the U.S. homeland. In addition to the traditional threat from strategic nuclear missiles, our national infrastructure is vulnerable to physical and computer attack. The interdependent nature of the infrastructure creates more vulnerability, because attacks against one sector—the electric power grid for instance—would impact other sectors as well. Many defense-related critical infrastructures are vulnerable to a wide range of attacks, especially those that rely on commercial sector elements with multiple, single points of failure. Foreign states have the greatest attack potential (in terms of resources and capabilities), but the most immediate and serious threat today is from terrorists carrying out well-coordinated strikes against selected critical nodes. Al Qaeda has spoken openly of targeting the U.S. economy as a way of undermining our global power and uses publicly available Internet web sites to reconnoiter American infrastructure, utilities, and critical facilities.

The Intelligence Threat

We continue to face extensive intelligence threats targeted against our national security policy-making apparatus, national infrastructure, military, and critical technologies. The open nature of our society, and the ease with which money, technology, information, and people move around the globe, make counterintelligence and security difficult. Sensitive business information and advanced technologies are increasingly at risk as both adversaries and allies conduct espionage against the private sector. They seek technological, financial, and commercial information that will provide a competitive edge in the global economy. Several countries continue to pose a serious challenge, prioritizing collection against U.S. military and technological developments, and diplomatic initiatives. The threat from these countries is sophisticated and increasing. They target our political, economic, military, and scientific information, and their intelligence services have demonstrated exceptional patience and persistence in pursuing priority targets.

Information Operations

Adversaries recognize our reliance on advanced information systems and understand that information superiority provides the U.S. unique advantages. Accordingly, numerous potential foes are pursuing information operations capabilities as a means to undermine domestic and international support for U.S. actions, attack key parts of the U.S. national infrastructure, and preclude our information superiority. Information operations can involve psychological operations, physical attacks against key information nodes, and computer network attacks. These methods are relatively inexpensive, can have a disproportionate impact on a target, and offer some degree of anonymity. I expect this threat to grow significantly over the next several years.

Counter-Transformational Challenges

For at least the next decade, adversaries who contemplate engaging the U.S. military will struggle to find ways to deal with overwhelming U.S. force advantages. They will take the time to understand how we operate, will attempt to identify our strengths and vulnerabilities, and will pursue operational and technological initiatives to counter key aspects of the "American Way of War." They will focus extensively on the transformation goals that will drive U.S. military developments, and will pursue programs that promise affordable "counter-transformational" capabilities. Accordingly, I expect our potential enemies will continue to emphasize the following:

- *WMD and precision weapons delivery capabilities* that allow effective targeting of critical theater bases of operation, personnel concentrations, and key logistics facilities and nodes, from the earliest stages of a campaign. My expectation is that during the next decade, a number of states will develop precision attack capabilities roughly equivalent to what the U.S. fielded in the mid-1990s. These will increasingly put our regional bases and facilities at risk.
- *Counter-access capabilities* designed to deny access to key theaters, ports, bases, and facilities, and critical air, land, and sea approaches. I am especially concerned about the global availability of affordable and effective

anti-surface ship systems (cruise missiles, submarines, torpedoes, naval mines), and a number of other long-range interdiction and area denial technologies. Our adversaries will attempt to exploit political, social, and military conditions in a number of host-nations to complicate the future overseas basing environment for the U.S.

• *Counter-precision engagement capabilities* focused on defeating our precision intelligence and attack systems. This includes the growing availability of global positioning system jammers, the increased use of denial and deception (including decoys, camouflage, and underground facilities), the proliferation of advanced air defense systems, more mobile and survivable adversary strike platforms (especially missiles), and improved efforts to complicate our targeting process by using "human shields," or by locating other high-value assets in "no-strike areas" (urban centers, or near hospitals, schools, religious facilities, etc.).

• *Space and space-denial capabilities.* Adversaries recognize the importance of space and will attempt to improve their access to space platforms, either indigenous or commercial. Worldwide, the availability of space products and services is accelerating, fueled by the proliferation of advanced satellite technologies and increased cooperation among states. While generally positive, these developments provide unprecedented communications, reconnaissance, and targeting capabilities to our adversaries.

A number of potential foes are also developing capabilities to threaten U.S. space assets. Some countries already have systems, such as satellite laser range-finding devices and nuclear-armed ballistic missiles, with inherent anti-satellite capabilities. A few countries have programs that could result in improved space object tracking, electronic warfare or jamming, and kinetic or directed energy weapons. But these techniques are expensive and won't be widely available in the next 10 years. Other states and non-state entities are pursuing more limited, though potentially effective, approaches that don't require large resources or a high-tech industrial base. These tactics include denial and deception, signal jamming, and ground segment attack.

CLOSING THOUGHTS

As I have noted above, a wide array of threats exists today and others are developing over time. Collectively, these challenges present a formidable barrier to our vision of a secure and prosperous international order.

Against this backdrop, the old defense intelligence threat paradigm, which focused primarily on the military capabilities of a small set of potential adversary states, no longer addresses the entire threat spectrum. More importantly, the emerging threats cannot be dismissed as "lesser included cases." In this environment, traditional concepts of security, threat, deterrence, intelligence, warning, and military superiority are not adequate. We must adapt and respond to these new conditions just as our enemies pursue new ways to diminish our overwhelming power.

While the challenges facing us are daunting, I am enthusiastic about the unique opportunity we have to transform our capabilities, personnel, and processes to better address the changing security environment. The intelligence transformation process—intended to improve our capability to provide strategic warning, better facilitate effects-based campaigns, provide greater insights into adversaries' intentions, improve preparation of the intelligence and operational battlespace, and more effectively support homeland defense—will be the centerpiece of my tenure as Director, Defense Intelligence Agency.

The Defense Intelligence community—composed of DIA, the Service Intelligence Centers, and the Combatant Command Intelligence Centers—is working hard to develop the processes, techniques, and capabilities necessary to handle the current threat as well as new and emerging security challenges. As I said at the outset, we are at war on a global scale and the task is daunting. With your continued support, I am confident we will be able to provide our decisionmakers with the intelligence they need.

STATEMENT OF SENATOR JOHN WARNER, CHAIRMAN

Chairman WARNER. Thank you very much. I want to discuss my perspective on the observations made by my colleague this morning, the ranking member. Then Director Tenet, we will listen to you further.

The meeting that we had with the President last Wednesday, the senior members of the House and Senate, was followed by a brief

meeting with Condoleeza Rice, myself, Senator Levin, and possibly one other, at which time Senator Levin raised these concerns that he has expressed this morning. It was my clear impression, listening to the National Security Advisor to the President, that all of the material that we deemed helpful to the inspectors had been or was in the process of being given to Hans Blix and to the Security Council.

Yesterday we had the opportunity to resume that conversation with the director, Mr. Foley, Senator Levin, and myself. The four of us had a meeting for about a half hour, at which time the discussion resumed. Now, I do not wish to get into the questions of numbers and so forth, but again, it is clear to this Senator that while there have been comments by members of the administration as to their concern about the likelihood of the inspection process succeeding, Hans Blix himself has clearly said that Iraq has not been cooperative. It is that lack of cooperation that has been the basic predicate that the administration has expressed concern about, and that has been made eminently clear publicly.

Now, I find two things. One, I am satisfied that this administration has in a conscientious way, in a timely way, transmitted this important information to the inspectors in the hopes that their task could have been more fruitful. Second, I find absolutely no evidence to indicate that any member of this administration would have used this process of submitting evidence to Blix in any other manner than to help and foster success by the inspectors. So at this time, Director Tenet, I think it is opportune for you to reply to me.

Mr. TENET. I think Senator Levin has raised a very important question, and we have spent a great deal of time assembling all the facts; and let me walk you through where we are. We, the American intelligence community, have had intelligence exchanged with the United Nations on Iraq and WMD in sensitive sites for over 10 years. That is an important point to make. There is therefore a very strong common understanding of sites of potential interest to inspectors, whether they were U.N. Special Commission (UNSCOM) inspectors or U.N. Monitoring, Verification, and Inspection Commission (UNMOVIC) inspectors or IAEA inspectors.

When the inspections began, we drew up a list of suspect sites which we believe may have a continuing association with Iraq's WMD programs. The list is dynamic. It changes according to available intelligence or other information we receive. Of this set number of suspect sites, we identified a specific number as being highest interest, highest value or moderate value, because of recent activities suggesting ongoing WMD association or other intelligence information that we received.

As I said yesterday, we have briefed all of these high value and moderate value sites to UNMOVIC and the IAEA. Of the remaining sites, of lower interest on this suspect site list, I had my analysts review all of them last night to see what we have shared with UNSCOM, with UNMOVIC, and with IAEA. We identified a handful, one handful of sites which may not have been known to the UNSCOM inspectors that we will pass to them.

Now, the important thing to also note is that in addition we continue to provide additional site information to UNSCOM either in response to their questions on a daily basis, because they have

their own site lists, they receive data from other countries, or as we continue to receive new information.

It is important to note that our support to UNMOVIC and the IAEA goes well beyond the provision of information on just sites. We have briefed them on the Iraqi declaration. We have briefed them on missiles. We have briefed them on the nuclear program. We briefed them on biological weapons, on mobile biological weapons, on a whole range of subjects. Our analysts are in daily contact with their analysts. We take this seriously and professionally and that is the record as we put it together, sir, to try to put this in some context. Questions may remain.

Chairman WARNER. Fine. Do you agree with my observation, having listened and carefully observed and participated in these meetings, that we as a Nation have conscientiously given them everything as we have received it—as you say, it is continuing to come in—in such a way as to foster the ability of the inspectors to do their work?

Mr. TENET. Sir, my direction to our community and our people was to "flood the zone," to work with these people on a daily basis to do everything that we can to assist their inspection process, and that is what we are trying to do each and every day.

Chairman WARNER. I find no basis by your agency or anyone else in this administration to impede that flow in such a way as to contribute to their inability to discover the evidence that we know as a Nation is somewhere hidden in that country. Am I correct in that?

Mr. TENET. Sir, I can tell you, I can just repeat my statement about what we are doing each and every day. I will just tell you what our motivation is, what we are trying to do, and that the men and women that work for us are trying to do it each and every day.

Chairman WARNER. Now the question is going to be forthcoming here with regard to whether or not in the Security Council there will be some suggestions to the effect that we double, quadruple, whatever number may be put down on the table, the number of inspectors in the hopes that they can have a greater degree of success. Do you see any evidence that this would lead to a more fruitful process of inspections?

Mr. TENET. Sir, let me say that the burden here is not on the inspectors. The burden here is on Iraq. Everything that Iraq has done since its initial date of declaration, which was wholly inadequate, everything that they have done to clean up sites before the inspectors arrive, to have Iraqi intelligence officers pose as scientists at sites that would be visited, to provide incomplete lists of scientists to be interviewed—you heard Secretary Powell's speech. They have done nothing here to live up to their obligations to facilitate an inspection process. The burden on the Iraqi side is as yet, to my professional judgment, unmet, so that is all I can say at this moment, sir. I haven't seen specific proposals about numbers of people, how long it will go, but you take the history, you take the fact that this is a country that essentially built a WMD capability while inspections were going on inside this country, and you take behavior that we have seen. It is frustrating, but the burden has to be placed where the burden belongs, on him, to do what he is required to do.

Chairman WARNER. If this option is pursued by which you quadruple the inspectors, and indeed perhaps get some U–2 surveillance and other things, what are the risks associated with added time being given, and I mean significant added time, to the inspection process?

Mr. TENET. Well sir, it is my judgment that if you have a process perceived under the circumstances that I have just talked to you about, with no compliance with what is expected, the expectation on our part is his capabilities will continue to grow. His clandestine procurement networks will continue to operate. He will continue to hide and deceive. So I am not very sanguine about where we are, in terms of how he has calculated he can wait us out and the games that he has been playing in this regard. So that would be my judgment today.

Chairman WARNER. There is also the option for Iraq to allow quantities of the weapons of mass destruction with biological and chemical weapons to find their way to the international terrorists, am I not correct, and transported elsewhere in the world?

Mr. TENET. Sir, those are always possibilities. We have been very careful about the case we have made and what we have talked about, this poisonous network that may be operating out of no man's land. Certainly an individual who has been in Baghdad, who is supported by a group of individuals who remain in Baghdad and facilitate not only this network, of which there has been a large number of arrests in European countries, but also these individuals in Baghdad have their own that they may be pursuing, so I want to be religious and careful about the evidence that we have and what our concerns are. Certainly how chemical and biological weapons may find their way into other people's hands, to terrorist groups is an ongoing concern that we are watching very carefully.

Chairman WARNER. Yesterday the Intelligence Committee met, and as a member of that committee, I put a question to you and you gave me an answer, but I think it is important that that same question and answer be put in today's record. There have been allegations by some world leaders that they do not think Iraq possesses weapons of mass destruction. In the event, and there is no decision yet, that force must be used by this Nation and other nations willing to work with us, and in the aftermath of the battle when the world press can go in and examine the sites and so forth, is it your professional judgment that there will be clearly found caches of weapons of mass destruction to establish beyond a reasonable doubt that he had them?

Mr. TENET. Sir, I believe that we will. I think that when you listen to Secretary Powell's statement at the United Nations, he noted a specific intercept that told operational units to ensure that the word nerve agents never appeared in any communications. So we know that weapons have been subordinated to units and I believe that we will find research and development (R&D). We will find stockpiles of things he has not declared and weapons he has not declared.

Chairman WARNER. Those pictures that showed trucks moving, presumably, that material to other sites, those sites could be located?

Mr. TENET. Well, that is a part of this, sir, of course. It is a big country and the advantage is always to the hider but we will do everything we can if that is where we are to find these things.

Chairman WARNER. Admiral Jacoby, in the event that force is used, what do we know now about the risk of Saddam Hussein deploying weapons of mass destruction against forces trying to remove that regime?

Admiral JACOBY. Mr. Chairman, we do not know Saddam Hussein's doctrine for WMD usage. We assess, however, based on his past patterns and availability of weapons in his inventory, is that he will employ them when he makes a decision that the regime is in jeopardy. Now, the real hard part about that is to identify when he might make that judgment and of course, that resides with one individual, his perceptions, the information available to him to make such a call.

Chairman WARNER. Those risks have been made known not only to the general public but most specifically to the men and women of the Armed Forces in our Nation and such other nations that are courageous enough to undertake the risk, should force be necessary. Senator Levin?

Senator LEVIN. Thank you, Mr. Chairman. You agree, Mr. Tenet, with what Admiral Jacoby just said?

Mr. TENET. Yes.

Senator LEVIN. I think that is a critically important intelligence finding as to what we expect, and your intelligence estimate is, Admiral, that when Saddam determines that his regime is in jeopardy, that is the point when he would utilize the weapons of mass destruction many people believe he still has. I want to go back to inspections, Mr. Tenet.

You have read the letters which your agency sent me indicating the number of significant sites that had not yet been shared in terms of information with the United Nations inspection inspectors, is that correct?

Mr. TENET. Probably not all of them, sir.

Senator LEVIN. The key ones?

Mr. TENET. I read the key one last night, I believe.

Senator LEVIN. What you are indicating this morning is that that was in error?

Mr. TENET. I do not know if it was in error. I could look at the language.

Senator LEVIN. The numbers were dramatically different than a handful. Will you agree to that?

Mr. TENET. Yes, sir. I went back last night and reviewed all of these numbers, reviewed all of our data, and potentially we made some mistakes in some of our transmissions. Yes, sir.

Senator LEVIN. What is very important, it seems to me, is that we give full cooperation to the U.N. inspectors. Would you agree with that?

Mr. TENET. I agree, sir.

Senator LEVIN. Even though you agree they are not useful unless Saddam cooperates, is that correct? Is it still useful to cooperate with the inspectors?

Mr. TENET. Sir, I think we have to do everything we can do to support them, even though they are getting no support from the person who is supposed to provide support.

Senator LEVIN. Because even though the burden is on Saddam, they still might prove useful, is that correct?

Mr. TENET. Potentially, sir.

Senator LEVIN. I just want to put that on the record, because of your testimony today which I welcome, and your testimony yesterday which was so astounding to me. I would want to put Mr. Tenet's testimony from yesterday in the record.

Mr. TENET. Sir, can I just make one comment? My assertion yesterday about the high value site was absolutely right and I make the same——

Senator LEVIN. High-moderate value, yes, sir.

Mr. TENET. My knowledge yesterday was incomplete with regard to the rest of these sites. We took advantage of the line of questioning in our meeting to go back and get our people to go do all the work so I can complete that statement. But what I said yesterday was absolutely accurate with regard to high value and moderate value targets.

Senator LEVIN. Without pressing this any further because you have acknowledged that the data which was submitted to me was incorrect, and we will go into that in classified session as to whether or not it was indeed incorrect, but nonetheless, I want yesterday's testimony to be put in the record.

Chairman WARNER. Without objection.

[The information referred to follows:]

SEN. LEVIN: Thank you, Mr. Chairman. Admiral Jacoby has made the following statement in his written presentation, Director Tenet, and I am wondering if you agree, that Pyongyang's open pursuit of additional nuclear weapons is the most serious challenge the U.S. regional interests in a generation. The outcome of this current crisis will shape relations in Northeast Asia for years to come." Do you agree with that statement?

MR. JACOBY: Sir, it's very serious.

SEN. LEVIN: I think it's really useful that at least our intelligence community is willing to describe the problem with North Korea as a crisis. The administration has avoided that word. They've said it's not a crisis. And the fact that our intelligence community describes it accurately as a crisis it seems to me is at least a beginning of a fair assessment of how serious that is. Director Tenet, in early January we started sharing with U.N. inspectors intelligence on sites in Iraq that we have suspicions about. I assume that we are sharing information with all the limitations of inspections, because our intelligence community believes that U.N. inspections have value -- at least there's a possibility that those inspections would provide evidence of the presence of weapons of mass destruction or of Iraqi deception, or of violations of the resolutions of the United Nations. Do you agree that there is some value to those inspections?

MR. TENET: Sir, there's value in these inspections so long as the partner in these inspections, Saddam Hussein, complies with U.N. resolutions. And thus far he has been singularly uncooperative in every phase of this inspection process.

SEN. LEVIN: What you are saying is they have no value then unless he cooperates? That there's no chance that they will find evidence of weapons of mass destruction, even without his cooperation?

MR. TENET: Sir, unless he provides the data to build on, provides the access, provides the unfettered access that he's supposed to, provides us with surveillance capability, there's little chance you are going to find weapons of mass destruction under the rubric he's created inside the country. The burden is on him to comply and us to do everything we can to help the inspectors. But the inspectors have been put in a very difficult position by his behavior.

SEN. LEVIN: Have they been given unfettered access?

MR. TENET: By Saddam Hussein?

SEN. LEVIN: Yes.

MR. TENET: Sir, I don't know in real-time. Everything that happens on every inspection --

SEN. LEVIN: As far as you know, were they given unfettered access?

MR. TENET: I don't believe so, sir.

SEN. LEVIN: All right. Now, we have only shared a small percentage of the sites so far that we have suspicions about. I am going to use the word "small percentage," because I am not allowed to use the actual numbers of sites that you have suspicions about. I am not allowed to use the actual number of sites that we have shared with the U.N. inspectors. All I'm allowed to say is that there has been a "small percentage" of sites that we have shared the information with the inspectors. My question to you is: When will be completing the sharing of information with the U.N. inspectors?

MR. TENET: Sir, we have given the U.N. inspectors and UNMOVIC every site that we have that is of high or moderate value, where there is proven intelligence to lead to a potential outcome -- every site we have.

SEN. LEVIN: Would you say what percentage of the sites that we have on our suspect list that you have put out in that estimate we have --

MR. TENET: Sir, the -- the collect -- I'm sorry, sir. I apologize.

SEN. LEVIN: Would you give us the approximate percentage of the sites that we have in your classified National Intelligence Estimate that we have shared information on with the U.N. inspectors, just an approximate percentage?

MR. TENET: I don't remember the number.

SEN. LEVIN: Just give me an approximation.

MR. TENET: I don't know, but let me just -- can I just comment on what you said, sir?

SEN. LEVIN: Would you agree it's a small percentage?

MR. TENET: Well, sir, there is a collection priority list that you are aware of, and there is a number that you know. And this collection priority list is a list of sites that we have held over many, many years. The vast majority of these sites are low priority and against which we found little data to direct these inspectors. All I can tell you is we have given them everything we have and provided every site at our disposal, and we cooperate with our foreign colleagues to give them -- we have held nothing back from sites that we believe based on credible intelligence could be fruitful for these inspections.

SEN. LEVIN: I just must tell you that is news. That is a very different statement than we have received before.

MR. TENET: Sir, I was briefed last night, and I think that we owe you an apology. I don't know that you have gotten the full flavor of this. But in going through this last night, I can tell you with confidence that we had given them every site.

SEN. LEVIN: Now, Mr. Tenet, another question relative to al Qaeda's presence in Iraq. Does al Qaeda have bases in Iraq?

MR. TENET: Sir, you know that there is -- there's two things that I would say --

SEN. LEVIN: And would you summarize it by saying al Qaeda has bases in Iraq?

MR. TENET: Sir --

SEN. LEVIN: That is the part of Iraq that is controlled by Saddam?

MR. TENET: Sir, as you know -- first of all, as you know by secretary -- well, we won't get into northern Iraq, but I can tell you this -- bases -- it's hard for me to deal with, but I know that part of this -- and part of this Zarqawi network in Baghdad are two dozen Egyptian Islamic jihad which is indistinguishable from al Qaeda -- operatives who are aiding the Zarqawi network, and two senior planners who have been in Baghdad since last May. Now, whether there is a base or whether there is not a base, they are operating freely, supporting the Zarqawi network that is supporting the poisons network in Europe and around the world. So these people have been operating there. And, as you know -- I don't want to recount everything that Secretary Powell said, but as you know a foreign service went to the Iraqis twice to talk to them about Zarqawi and were rebuffed. So there is a presence in Baghdad that is beyond Zarqawi.

SEN. ROBERTS: The senator's time has expired.

Senator LEVIN. I ask for that testimony because of the clear difference between what was stated yesterday and what has been acknowledged today.

I want to talk to you about the value of U–2 flights. Do we support giving the inspectors what they have asked for in terms of U–2 flights?

Mr. TENET. Yes, sir, I believe we do.

Senator LEVIN. Even though Saddam isn't cooperating?

Mr. TENET. Yes, sir.

Senator LEVIN. He has not agreed to those U–2 flights at least until a couple of days ago and we have acquiesced in that. The United Nations, including us, has never adopted the resolution that Senator Clinton and I have suggested to Mr. Powell that the U.N. tell Saddam, it is not up to you whether we have useful U–2 flights. That is up to us, the United Nations. We are flying. You attack those U–2s and you are attacking the United Nations. Why shouldn't we do that?

Mr. TENET. Sir, I think there is an important question here about whether you are going to fly a U–2 and put a pilot at risk in an environment that is not permissive and that he has not agreed to and I don't think that is an insignificant consideration.

Senator LEVIN. It is a very significant issue. The underlying issue is much more significant. We are going to put hundreds of thousands of U.S. troops at risk if we attack Saddam with some huge long-term consequences as well as the short term ones that Admiral Jacoby has outlined. That would be done, according to the administration, even without a U.N. authorized use of force. What we are suggesting is that the U–2 flights be authorized by the U.N. When you talk to Mr. Blix, as I have done, he believes the chance that Saddam Hussein will attack a U–2 if he knows that by doing so he is attacking the United Nations is so slim, compared to the risks involved in war. For us to focus on the risk of a U–2 flight without Saddam's agreement rather than the importance of imposing the U.N.'s will on Saddam Hussein—it is incredible to me that we have acquiesced in Saddam Hussein's veto of U–2 flights, which you acknowledge will be helpful or could be helpful to the inspectors, based on the risk of a U–2 flight. I find that incredible.

In any event, Senator Clinton and I wrote a long letter to Secretary Powell about this issue. It may not be necessary anymore to have a U.N. resolution, but if so, I would hope that this administration will introduce and support a U.N. resolution imposing the U–2 flights which will provide critical information, particularly about vehicles which move around on the ground.

Secretary Powell pointed out that there are suspect vehicles on the ground. The way to track those suspect vehicles is with U–2 flights. You cannot do it with satellites and yet this administration is saying there is risk to U–2 pilots. As a reason not to impose the will of the world as requested by its inspectors on Saddam Hussein, I find that incredible. I find it to be a lack of support for the inspectors who have asked for the U–2 flights. I will give you a chance—my time is up, but you should have a chance to respond.

Mr. TENET. Sir, we are out of my realm a bit, but let me just say the following. When we passed Resolution 1441 there were a series of stipulations and obligations that dealt with surveillance and information flow and all these other kinds of things. Again, I find it from my perspective interesting that the burden shifts in the other direction constantly.

Senator LEVIN. You misunderstand my point. I am not saying the burden shifts. I want to impose our will on Saddam.

Mr. TENET. All I am saying to you, sir, is that this is something that should have been acquiesced to immediately when we passed the resolution. It never was. I understand your point.

Senator LEVIN. I must finish this. Of course, the resolution says that he is supposed to comply and he is not supposed to interfere with overflights, but we have specifically suggested a resolution identifying the consequences. That is not in 1441. U.N. Resolution 1441 says he may not interfere with inspections and with overflights, but what 1441 doesn't do, which the resolution we have proposed would do, is to say the consequence specifically of attacking a U–2 would be that you are attacking the United Nations. That is the addition to what 1441 specifically provides.

Mr. TENET. I understand, sir.

Chairman WARNER. I think at this point we should put in the record exactly what 1441 says and I quote it: "UNMOVIC and the IAEA shall have free, unrestricted use and landing of fixed and rotary wing aircraft, including manned and unmanned reconnaissance vehicles." Now what could be more explicit? That is just one of a series of enumerations of what 1441 says Iraq must do, and it is but one of a series that he has steadfastly refused to do.

Senator LEVIN. We have not done what we should do, which is to tell him: Attack a U–2, attack the world. It is important that we not let him veto and that we keep the world together. The world will be together on the U–2s. The world will be together. Why are we not working to keep the world together against Saddam Hussein?

Chairman WARNER. I think efforts are being made by this President and the Prime Minister of Great Britain and others to keep the world together but this is just one of a long litany of things that he is not doing, and what is the consequence? Senator Roberts.

Senator ROBERTS. I got so caught up in listening to this talk of putting the tail U.N. insignia on a U–2, what would happen in terms of the safety of the pilot, that I am not quite ready here. If I may, let me see if I can get organized.

Thank you, Mr. Chairman. We had a very productive hearing yesterday in the Intelligence Committee. I thank the witnesses for returning today to appear before the Committee on Armed Services. I am also the Chairman of the Subcommittee on Emerging Threats and Capabilities and I look forward to any guidance that you can continue to provide us on the appropriate Department of Defense (DOD) policy and planning response to the threats America faces.

Yesterday I listened very carefully to these two very dedicated witnesses describe a world in which, and I am quoting, "economic and political instability and proliferation and extremism combine to produce new and difficult requirements for America's military." Now, some would say that that is certainly not a very good situation, but I would like to stress this. It is good news in regards to the threat warning analysis and the better analytical ability that we have in all of the 13 agencies that represent the intelligence community, in my personal opinion, and I have visited 6 and I will visit the remaining 7 along with Vice Chairman Rockefeller. I think through the tremendous, unequalled assets that we have and the dedicated work by those in these agencies, the structural reforms that are taking place—and we will have hearings in the Intelligence Committee to make sure that those happen and to monitor those—we have right now better real-time analysis to produce

a better threat warning procedure to safeguard the American people. Now, that doesn't mean, of course, that the threat goes away or that we have other things that we cannot do.

I would like to ask you, Director Tenet, to assess the tape yesterday played for all America and the world by Osama bin Laden, more particularly, in regards to his relationship with Iraq. The one thing that I would like to point out is that he closed that tape with a prayer which is really a lament indicating that his challenges are much more difficult because two-thirds of his operation has either been destroyed or captured. In some ways I think that is good, but could you assess that tape in regards to the situation between al Qaeda and Osama bin Laden?

Mr. TENET. Senator, our linguists and experts are going through all the Arabic. They were working on it last night. I want to be precise when I come back and talk to you about that. Obviously he talked about the crusaders. He tried to work around the Iraqi aspect. Let me take this for the record and when we go through the Arabic and allusions and symbols he may raise I will come back to the committee with a very precise answer in that regard.

Senator ROBERTS. I have another one you can come back to. We are hearing a lot from the Security Council, including France, Russia, and China, how they claim to have not been persuaded by Secretary Powell's presentation. They want to refrain from attacking Iraq and, as has been indicated, try to let the inspectors continue about their business, and I am not opposed to inspectors with the exception that inspectors are not finders, they are inspectors, and what they are allowed to find in regards to Saddam Hussein I think is important. I'd like for you to get back to us, I am not sure that you can say so in a public setting, but please tell us how many of the countries that are currently on the U.N. Security Council have at one point provided or permitted nationals to provide arms or nuclear or biological technology to Saddam Hussein's government in Iraq. I'd like to know how many of the members of the Security Council supported easing the economics sanctions against Saddam Hussein since 1998. I'd like to know how many of them also participated in sanctions busting activities such as the commercial airline flights to Baghdad. I'd like to know how many of the governments that currently insist we engage in bilateral negotiations in North Korea were also the governments that insisted the only way to deal with the U.S. and Iraq was also through the United Nations. If you could give me that information in writing, I would appreciate it.

Mr. TENET. Yes, sir.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

Senator ROBERTS. Finally, Pyongyang. The chance that there could be an uprising on the part of the poor people is between slim and none, and slim left town. I asked yesterday in the public setting what pressure point we could put on North Korea in regards to direct engagement to make Kim Jong Il change his mind about cooperation with China, Japan, and South Korea. It has ominous portents in regards to Japan getting back into the business of remilitarizing. That goes back to 1952 and the days of Ike.

It has ominous portents for our relations with China, so I talked with the Chinese ambassador. He said he will be a good, strong global partner. I have yet to see much evidence of that, and I am very worried about South Korea and the generation of people who have forgotten the aggression by North Korea. What pressure points could you suggest with negotiations with Kim Jong Il? He has to play the nuclear card, in my assessment. Any assessment there?

Mr. TENET. Sir, I will have to come back to you. We are sitting down with our policymakers and reviewing that. Let me come back to you, in fairness.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

Senator ROBERTS. If he has another test, sends another mission, he gets attention and this is the only attention getter he can play, similar to Pakistan or in relation to Pakistan, but would you think that is mainly his purpose?

Mr. TENET. It is one of his purposes, sir, and I indicated in my testimony that he is trying to draw attention in any way he can. He has a number of routes at his disposal to try and draw attention.

Senator ROBERTS. My time has expired.

Chairman WARNER. Senator Kennedy.

Senator KENNEDY. Thank you very much. Mr. Chairman, I would ask that my opening statement be made a part of the record.

[The prepared statement of Senator Kennedy follows:]

PREPARED STATEMENT BY SENATOR EDWARD M. KENNEDY

Last February, CIA Director Tenet told Congress that al Qaeda is "the most immediate and serious threat" to our country, "despite the progress we have made in Afghanistan." Yet, this year, the CIA Director tells us only that "the threat from al Qaeda remains."

Then, as now, Osama bin Laden was still at large and al Qaeda is determined to strike America again. There have been deadly new al Qaeda attacks worldwide. A French tanker was attacked in Yemen, a nightclub was bombed in Indonesia, a hotel was destroyed in Kenya, and missionaries murdered in Yemen. Of more than 600 people killed in acts of terrorism last year, 200 were in al Qaeda-related attacks, including 19 U.S. citizens. Our Nation has just gone on new and higher alert because of the increased overall threat from al Qaeda. A new tape from Osama bin Laden has been aired. We are told that a terrorist attack could come very soon.

The administration maintains that there are links between al Qaeda and Iraq that justify war. But al Qaeda activists are present in more than 60 countries, including Iran, Pakistan, and Afghanistan. Even within the administration, there are skeptics about the links with Iraq. Intelligence analysts are concerned that intelligence is being politicized to justify war.

The administration refuses to call the situation on the Korean Peninsula what it is—a genuine crisis. It refuses to directly engage the North Koreans in talks to persuade North Korea to end its nuclear program. By ignoring the North Korean crisis in order to keep the focus on Iraq, many of us are deeply concerned that the administration has kept its eye on the wrong place.

North Korea can quickly produce a significant amount of nuclear materials and even nuclear weapons for its own use or for terrorists to attack America and our allies. North Korea is only months away from producing weapons-grade plutonium and nuclear weapons. Desperate and strapped for cash, North Korea is the country most likely to use weapons-grade plutonium as its "cash cow." It has already provided missile to nations like Iran, Syria, and Libya that support terrorists. Plutonium could be sold in small amounts and traded among terrorist groups. In the future, it could be used in nuclear weapons against us. If that is not a crisis, I don't

know what is. Clearly, the administration owes us a more convincing explanation of its priorities.

Senator KENNEDY. Mr. Tenet, we have seen Americans called to great concern over these past days. They are being urged to collect 3 days' worth of water, 3 days of food, plastic sheeting, and duct tape. That is happening all over the country.

Now, let us be cold and frank about it. Is that because of the danger of Iraq or is that because of the danger of al Qaeda?

Mr. TENET. This threat is directly related to al Qaeda and Osama bin Laden at this moment. That is what the predicate of raising the threat level was, specific intelligence.

Senator KENNEDY. That is the threat, I think, at least for Americans today. Now, when Americans ask me, given that al Qaeda is the threat they are being called to action for, why isn't the administration giving a fraction of the attention to the dangers that al Qaeda is presenting here at home that is giving to organizing a war against Iraq? How do we answer that?

Mr. TENET. Sir, I would not agree with that at all. I think that we——

Senator KENNEDY. You think the American people—let me just ask you the question, then. Do you think the average American believes that this government is as focused on what the danger is here at home as it is on the efforts that it is making to mobilize the international community and the military in order to engage in a war in Iraq?

Mr. TENET. Sir, I can only answer that from where I sit and what I see and do every day. I can tell you that there is on our part and the people we support an enormous amount of attention being paid to al Qaeda and this threat, every day, in a very considered and considerable manner.

Senator KENNEDY. Yesterday Mr. Muller reported that the al Qaeda network will remain for the foreseeable future the most imminent and serious threat facing this country. The organization maintains the intent to inflict significant casualties in the United States with little warning. Al Qaeda has developed a support infrastructure inside the United States that will allow it to mount another terrorist attack on U.S. soil, multiple-scale attacks against soft targets, banks, shopping centers, supermarkets, apartment buildings, schools, universities, poisoning water and water supplies. Then al Qaeda will probably continue to favor spectacular facts that meet several criteria, high symbolic value, mass casualties, severe damage to the U.S. economy, the maximum psychological trauma. Then it finally gets into Baghdad's capability and will to use biological, chemical, and radiological weapons against U.S. domestic targets in the event of a U.S. invasion. In the event of a U.S. invasion.

Then it continues along: Our particular concern—this is the head of the Federal Bureau of Investigations (FBI)—is that Saddam Hussein may supply al Qaeda with biological, chemical, or radiological material before or during a war with the U.S. to avenge the fall of his regime.

The best testimony that we have from the head of the FBI says that the greatest risk to American servicemen will come either before or during a war with Iraq or the fall of the regime, and Bagh-

dad has the capability to provide biological and chemical weapons for use against U.S. domestic targets in the event of a U.S. invasion.

Let me get back to you. You were very clear about what you thought was the most imminent threat to the United States. The President said the biggest threat is Iraq in the State of Union a year ago. I think most Americans believe, particularly after what they have heard in the very recent times, that this is where the administration is focused. Your reaction?

Mr. TENET. Senator, let me just take a few minutes because you raised a number of important points. Let me put this poisons and gas thing in some context. There are 116 people in jail in France, in Spain, in Italy, and in Great Britain who received training and guidance out of a network run by an individual who is sitting in Baghdad today and supported by two dozen of his associates. Now, that is something important for the American people to understand. Iraq has provided a safe haven and a permissive environment for these people to operate in.

The other thing that is very telling to us, sir, just so I can close the loop on this issue, is we also know from very reliable information that there has been some transfer of training in chemical and biologicals from the Iraqis to al Qaeda. So we are already in this mix in a way that is very important for us to worry about. How far it goes, how deep it is is a subject that we will continue to entertain.

Senator KENNEDY. Just on that point, here we have North Korea that has provided technology and weapons to countries that are directly supporting terrorism. North Korea has provided items to Iran, Syria, and other countries. They may very well have two nuclear weapons. We do not have to get into that, but there is no question that they are going to be producing weapons-grade plutonium which can be made into nuclear weapons within the next few weeks.

They have provided the weapons to nations which have supported terrorism. We do not need another review. We do not need another study. We know that they have done that. Why is that not a crisis? You refuse to call it a crisis. Why is that not a crisis? Can you give the assurance to the American people that it is getting as much focus and attention as the mobilization in terms of the military for——

Mr. TENET. Sir, if I can answer. It is a very serious problem. Admiral Jacoby yesterday called it a crisis. I called it a serious problem. Let us split the difference. North Korean behavior, their proliferation activities, their ballistic missile capabilities are all very serious issues. They also must be dealt with. Policymakers are trying to figure out an approach that deals with the Russians, Chinese, Japanese, and South Koreans. This is a very important issue.

We are unfortunately in an environment where we have three or four tough things to do simultaneously. Each approach, each subject will be different for the policymakers. You yourself highlighted something that must be dealt with and that we are paying attention to and have to move on because it has serious consequences as well, sir.

Chairman WARNER. Did you have adequate time to reply to that in your judgment?

Mr. TENET. Yes, I believe I did.

Chairman WARNER. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman. Director Tenet, your testimony was that more than a third of the top al Qaeda leadership identified before the war has been either captured or killed. Obviously and unfortunately, that does not include Osama bin Laden. But do you believe that Osama bin Laden is still in active command of the al Qaeda network, or have we been sufficiently successful that we have disrupted his ability to control the network?

Mr. TENET. Ma'am, I'd like to talk about all of that in closed session with you.

Senator COLLINS. You had mentioned that your analysts are just beginning their study of the tape that was relayed yesterday. Are there any preliminary indications that the tape was intended as a trigger or a signal to cells to attack?

Mr. TENET. Ma'am, I think I would say the following to you. You noted the previous two instances when he made tapes. On October 6, I said remarks were made shortly before the French oil tanker was attacked, Limburg, the murder of the U.S. marine in Kuwait and the Bali bombing. His 12 November statement was 11 days before the bombing in the hotel in Kenya, so one of the things we are looking at is that he is obviously raising the confidence of his people. He is obviously exhorting them to do more. Whether this is a signal of impending attack or not is something we are looking at.

I can only tell you what the history is. What he has said has often been followed by attacks which I think corroborates everything that we are seeing while raising the threat warning in terms of the specific information that we had at our disposal last week.

Senator COLLINS. Yesterday there were media reports that our intelligence has detected the movement of Iraqi SCUD launcher equipment next to mosques, that Saddam Hussein has moved explosives to Southern Iraq near the oilfields, and that he has positioned some of his military forces among civilian areas. Do those developments suggest that if war comes that Saddam is going to pursue a scorched earth strategy? Do you believe that those developments are substantiated? If the Vice Admiral would like to respond, that would be fine, too.

Admiral JACOBY. Senator, there is a pattern over a considerable number of years and it is being played out today. Saddam intermingles combatants and civilian population. It is part of the strategy to blend and to use the term human shields as part of his approaches, and that continues.

The parts of the question having to do with current disposition of forces, I'd like to take on in closed session if I could. That way I can give you some specifics about where he is on some of the issues that are being presented.

Senator COLLINS. That would be fine. Director Tenet, I am also troubled by press reports this week that the Iranian government intends to develop uranium mines in the southern part of its country. While Iranian officials have contended that this step has been undertaken to address civilian energy needs, I am concerned about

the implications for Iran's nuclear arms program. Could you please comment on that?

Mr. TENET. Yes, ma'am. We are concerned as well. We are going to follow up on all of that reporting. We have some very specific data for the classified session about specifically where the uranium nuclear program is today. People who were supplying it may not be supplying it, due to some improvements in Russian behavior in this regard, but all of this is a piece and it comes back to my serious concern about how many countries are pursuing nuclear weapons, how many countries are developing an indigenous capability to do so, and the amount of foreign assistance that is available from foreign states and networks that really make this a formidable challenge when you lash it up to ballistic missile proliferation, whether medium- or long-range.

Senator COLLINS. Has Iran been the impediment to the establishment of the new government in Afghanistan?

Mr. TENET. Well, I think you know that in the diplomatic part of this when they went to Bonn and set this government up, I think the record is the Iranians were helpful diplomatically in creating this government. I think every country on the border of Afghanistan naturally has its own agenda. We initially, in the conflict, were concerned about Iranian assistance for safe haven or conflict with the Taliban and al Qaeda remnants. So remember, you have two governments, you are really dealing with two faces in a country like Iran—spiritual leader and President Hatami—in control of different services. This also creates different pictures of this government's activity inside Afghanistan. But regarding your specific question, they were very cooperative in Bonn as far as I can tell.

Senator COLLINS. Thank you, Mr. Chairman.

Chairman WARNER. Thank you. The Senator from West Virginia.

Senator BYRD. Thank you, Mr. Chairman. Mr. Director, a transcript of the Osama bin Laden tape has been available for at least 24 hours. Secretary of State Powell mentioned it yesterday morning. This Nation is at a heightened level of terrorist threat. We do not have the luxury of time to analyze the Osama bin Laden tape to death. Surely, you have completed at least a preliminary analysis of the tape. What conclusions have you drawn thus far? Please be as brief as you can because my time is short.

Mr. TENET. Sir, as I said, I believe the tape represents an exhortation to his followers. I believe he is trying to raise their confidence, and we know that previous tapes occurred roughly prior to attacks that have recently occurred. So the surface is very concerning to us, and whether there is any other operational signal in this tape or something we can glean from it, we will work on and get back to you, sir.

Senator BYRD. Are the reports that the tape is evidence of a connection between Osama bin Laden and Saddam Hussein—let me repeat that. Are the reports that the tape is evidence of a present and/or past connection between Osama bin Laden and Saddam Hussein credible?

Mr. TENET. Well, sir, what he says in the tape is unprecedented in terms of the way he expresses solidarity with Baghdad. He talks about fighting alongside Iraqi socialists, who he has generally con-

sidered un-Islamic, to defeat the crusaders. The Israelis would be the crusaders, so I am trying to get underneath all of that to understand what the allusion and symbolism is. But on the surface, and that is why I want to be precise when I come back to you, on the surface he appears to be making some kind of a linkage, perhaps for his own purposes. Whether he is aligning himself with the Iraqi government or he is speaking to the Iraqi people, I just want to be very precise when I comment on this. But it is a bit alarming that he did it this way.

Senator BYRD. How do you feel about the reference to the word Infidel applied to the Iraqis?

Mr. TENET. Well, it goes back, I think, sir to historical allusions that he has made about who's pure and who's not pure. Iraq has been a secular society. It is a distinction that people have tried to make, particularly in the terrorism world, which I don't make much of. I think these distinctions get blurred easily. Again I need a little bit more time to do work on that.

Senator BYRD. How much more time do you need?

Mr. TENET. A day or two, sir.

Senator BYRD. Who is the greatest threat in your judgment, Mr. Director, to the United States today? Who is the greatest threat looking at the situation, if you can, 2 years from now, 3 years from now, 5 years from now? Saddam Hussein, Osama bin Laden, or Kim Jong Il?

Mr. TENET. Sir, I hope that 2 or 5 years from now al Qaeda is a diminished threat for this country. Obviously today we are worrying deeply about al Qaeda and what threat it poses to this country. In 2 to 5 years' time, someone like a Saddam Hussein may have acquired a nuclear weapon and all of his capabilities would be enhanced and his relationship with these terrorist networks would continue to develop, so they cause us concern.

Kim Jong Il is a present threat with his ballistic missile and weapons capability and weapons potential. So how you rack them and stack them is difficult. How you deal with them in terms of emerging layers is difficult and of great concern to the intelligence community.

Senator BYRD. Does this concern with respect to al Qaeda permeate the highest echelons of the current administration in your judgment?

Mr. TENET. Sir, it does.

Senator BYRD. I wonder then out loud why this administration did not support amendments that I offered with respect to the omnibus appropriation bill that was recently passed by the Senate, amendments that would increase by on the order of $5 billion appropriations to deal with al Qaeda and homeland defense. I am wondering out loud. Do you have anything you might wonder out loud with me about why the administration did not support that $5 billion?

Mr. TENET. Sir, I rarely wonder but I really do not know.

Senator BYRD. Now it came back to $3 billion. I got the same support from this administration with respect to homeland security. $3 billion. The administration did not support those amendments.

Mr. TENET. Sir, can I give you my observation? The administration has been supportive as has the Appropriations Committee on what we are doing in providing dollars for the overseas intelligence community and the FBI. I do not know about the domestic side, sir.

Senator BYRD. I did not ask you about the other.

Mr. TENET. Yes, sir, I understand that.

Senator BYRD. Mr. Director, in regard to Kim Jong Il, it seems to me that he is a threat that is as imminent, or perhaps more so, directly to the United States than is Iraq. So if we say to our friends in this world, if you are not with us, you are against us, I wonder if we are not sowing dragon seeds as we look down the road past the immediacy of Iraq. When we think about the nuclear threat that is posed by North Korea, we say to our friends in the United Nations, if you are not with us, you are against us. I wonder as we get down the road how we are going to bring about better cooperation and better union with respect to efforts in the United Nations as we face a more determined and more imminent and more powerful aggressor in the form of North Korea.

I wonder if we might look at France and those others who are posing opposition to us today with respect to what we are trying to do in Iraq, if we are not going to need them down the road. So how can we say you are not with us, you are against us? It seems to me we are being somewhat careless and self-righteous as we look ahead.

Mr. Chairman, my time is up. To be limited to 6 minutes, that is not necessarily your fault, but it is not like the old days when we were able to follow a thread of thought to the end. Thank you, Mr. Director.

Mr. TENET. Thank you, sir.

Chairman WARNER. I say to Mr. Byrd, I take note that we almost have 100 percent attendance here this morning. Now that will conclude the first round here and at the completion of all recognitions we will go into the closed session. I share your views, Senator, but we are doing the very best we can.

Senator BYRD. I know you are doing that.

Chairman WARNER. Thank you. The Senator from Texas.

Senator CORNYN. In the interest of time, I will reserve any questions I have for the closed session.

Chairman WARNER. All right.

Senator Reed.

Senator REED. Thank you very much, Mr. Chairman. Thank you, Director Tenet and Admiral Jacoby. I just returned last weekend from Munich and talked to the German officials and other NATO officials, and one of the stumbling blocks for a more concerted effort with respect to confronting Iran is a dispute about whether or not there would be substantial links between Baghdad and terror groups. Yesterday, in your testimony, Mr. Director, you cited Zarqawi's presence in Baghdad, but also the press said he is not under their control, words to that effect, is he an independent envoy?

Mr. TENET. Sir, he is a senior al Qaeda associate who has met with Osama bin Laden, who has received money from al Qaeda leadership, and is on my list of the top 30 individuals that are required to decapitate and denigrate this organization. Mr. Zarqawi

is on that list. The fact is that he is a contractor, he does things on his own, but he has an intimate relationship with Osama bin Laden and we have classified him as a senior al Qaeda associate.

Senator REED. The issue is—and I want to be clear. I understand your response. The issue is his relationship to Saddam Hussein, to Baghdad, if he is operating in concert explicitly with Saddam Hussein or is there for his own convenience and safety——

Mr. TENET. The argument, the specific line in evidence and argument we have made is they are providing safe haven to him, and we know this because a foreign government approached the Iraqis twice about Zarqawi's presence in Baghdad and he disappeared. The second troubling piece of this, sir, is, as I mentioned yesterday, the two dozen other associates and two senior Egyptian Islamic Jihad associates are indistinguishable from al Qaeda because they merged. The third piece I would say to you is Baghdad is not Geneva. It is inconceivable that these people are sitting there without the Iraqi intelligence service's knowledge of the fact that there is a safe haven being provided by people, to people who believe it is fairly comfortable to operate there. That is as far as I can take the story today.

Senator REED. Following up, the presence of all of these individuals you have cited are in Baghdad based on your information?

Mr. TENET. Yes.

Senator REED. Do you have any information, beyond providing the safe haven, as you see it, clear evidence that the Iraqi regime is facilitating their operations?

Mr. TENET. That is what we are trying to understand more of, sir. I will talk about this in closed session.

Senator REED. With respect to Osama bin Laden's statement yesterday, and I know you have responded to Senator Byrd in terms of your desire to look at it more closely, but some of the language I think deserves to be enclosed here with respect to the supposed collaboration and affiliation between al Qaeda and Baghdad. This is the text I have: "On the threshold of this war, the war on the infidels and disbelievers which is led by America and its agents . . . First, the sincerity of the intent for the fight should be for the sake of Allah only, not for the victory of national minorities or for aid of the infidel regimes in all Arab countries, including Iraq," which seems to be a statement not of unconditional support for Baghdad by Saddam Hussein for his regime. In fact, he is lumped into the same category as we are, as an infidel.

Mr. TENET. Sir, you are talking about an individual who is a master at deception, an individual that understands all linkages being made all over the world about this. Let us be careful about placing a lot of credence on distinctions that he is making here. I'd like the opportunity to just be careful about it and look at it, but the kind of language and solidarity he talks about with Baghdad is something we want to look at more carefully inside the text.

Senator REED. I encourage you to do that but I think you have to confront this language and put it in a logical context. I urge you to do that. Admiral Jacoby, you are in an interesting position where you have access to collaboration with the Central Intelligence Agency and yet you provide specific support to the war fighters in examining targets in Iraq. This whole issue of how

much information and what type of information has been disclosed to the defectors, and I asked you to generally comment. If we put the target list between developing attack issues, weapons of mass destruction sites, and we laid next to that the information that we are providing to the inspectors, would that be essentially the same list?

Admiral JACOBY. Senator, I haven't tried to do a side by side comparison, but we are working from the same shared information on trying to develop that list so I would expect commonality.

Senator REED. Has anybody done that side by side comparison to essentially check the judgment of the intelligence authority and judgment of the military authorities for planning this operation?

Admiral JACOBY. I am not sure whether it has been laid down that way or not, sir.

Senator REED. Mr. Tenet, are you aware of anybody doing that side by side?

Mr. TENET. No, sir.

Senator REED. Turning to North Korea, it seems increasingly clear that if we do nothing during the next several weeks or months, they will have sufficient plutonium, marketable quantities, and that is a shuddering concept. Are we reasonably confident we are beginning to identify the possible links to terror groups that might attempt to acquire this material, Mr. Tenet?

Mr. TENET. I do not have any specific links that I have developed to terror groups out of the North Korean context at this moment.

Senator REED. Are we looking hard?

Mr. TENET. We always do worry. We have this kind of capability.

Senator REED. I agree with you that the frightening potential of nuclear power is emerging. You mentioned they were nonstate actors in many cases. You are identifying those and is the presumption that our policy will be preemption of nonstate actors?

Mr. TENET. I am not making a policy prescription but we are working hard to identify companies, people, things that do not look like states. We see a number of these popping up around the world. That causes us concern. The policy towards Baghdad would be not ours, but our job first and foremost is to gather as much information as possible to lay down before the policymakers so they can make determinations.

Chairman WARNER. Thank you very much. The Senator from Colorado.

Senator ALLARD. Thank you, Mr. Chairman. I'd like to start out by asking Vice Admiral Jacoby about conventional forces in North Korea, artillery, tanks, as well as missiles. What is your assessment of their capability to sustain that force in combat?

Admiral JACOBY. Senator, they have the capability to sustain for a considerable period of time what is basically a very large but also not a high-tech kind of force in being. So armaments, weapons, ammunition, and so forth have been stored for considerable periods of time and they have had that kind of force capability for many decades.

Senator ALLARD. I am going to change the questioning to Russia and their intercontinental ballistic missile force. Vice Admiral, we are aware that that force continues to age and in your prepared testimony, you mentioned that the SS–27 is several years behind

schedule. Do you see a decline in the size of Russia's missile force in the next 10 years? Then also could you elaborate on how the Moscow Treaty affects the tough decisions that Russia may have to make in the future?

Admiral JACOBY. Sir, our assessment is that their force level will decline, and the SS–27 fielding is a problem they are having. Sir, I need to take the treaty question for the record and get back to you. I am not specific on the details and the applications against our assessment.

Senator ALLARD. If you would provide a response to me, I'd appreciate that.

[The information referred to follows:]

The Moscow Treaty gives both parties the flexibility to structure their strategic offensive forces as they see fit, and leaves each side to carry out reductions—or to modernize its forces—essentially under its own terms, within the treaty's stated limits (1,700–2,200 operationally deployed strategic warheads).

Prior to the Moscow Treaty, Russia had begun to move away from its traditional emphasis on land-based missiles (ICBMs) and shift resources to the naval leg of its strategic triad, which under START II could have continued to deploy MIRVed sealaunched ballistic missiles (SLBMs). However, since START II—which would have banned land-based MIRVs—did not go into effect, the Russians may now hold on to older MIRVed ICBMs, such as the SS–18s and SS–19s. As a result, Russia has reemphasized the role of land-based systems within the triad. However, we believe that over the next decade, the retention of aging land-based systems will likely come at the expense of modernization, constraining the production and deployment of new ICBMs such as the SS–27. In fact, the commander of Russia's ICBM force has publicly noted the negative impact that the retention of older systems will have on modernization efforts.

We believe that for practical reasons the Russian strategic nuclear forces will decline over the next decade regardless of whether there were arms control constraints or not to a level probably below the treaty's warhead limits. Therefore, it is more likely that Russia is looking to the Moscow Treaty as a means of constraining U.S. strategic forces, rather than as a planning tool for its own force development.

Mr. Tenet, a number of weeks back, Condoleezza Rice said we are expecting compliance with eliminating weapons of mass destruction. I think she cited three countries. Most frequently, it says South Africa opened their country up for inspection. Ukraine and Kazakhstan are also mentioned. I got the impression from her comments that all three of those countries were markedly different than what we are facing in Iraq.

I was wondering if you could lay out for the committee the differences between what you saw happening in those three countries and what has happened in Iraq in some fairly explicit terms?

Mr. TENET. I apologize, Senator, but I do not have the explicit details of those places right on the tip of my tongue. I will come back with a piece of paper.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

Senator ALLARD. I did not mean to broadside you on that.

Mr. TENET. That is all right.

Senator ALLARD. Mr. Chairman, I have questions for closed session so I will yield back the balance of my time.

Chairman WARNER. Senator Akaka.

Senator AKAKA. Mr. Tenet, in your written testimony, you mentioned that Libya is developing weapons of mass destruction and that since 1999, Libya has increased, and I quote, "its access to

dual-use nuclear technologies." My question to you is do you have any assessment about how long it will be before Libya has a nuclear weapon, and can you share that assessment with us now?

Mr. TENET. Sir, we can do that in closed session.

Senator AKAKA. Director Tenet, I have heard about recent public diplomatic differences with European allies. Have these differences with European allies had an effect on their cooperation with us or us with them in efforts to fight terrorism? Specifically, are we withholding useful intelligence from them or vice versa, or other types of cooperation?

Mr. TENET. No, sir. In fact, in the war on terror, our European allies have been extremely supportive of what we are doing. We work hand in glove with them. This whole network that I alluded to is something that we have worked very closely on with them, so the level of intelligence services, military services, law enforcement relationships, they are all very good. I know there are other issues, but it has not impacted our work on terrorism with them one bit. In fact, all of that is quite enhanced.

Senator AKAKA. Admiral Jacoby stated, Director Tenet, that he expects an increase in Pakistani and Iranian proliferation. Do you share that concern and can you indicate at all in public session the direction of Pakistani and Iranian proliferation efforts?

Mr. TENET. Sir, I apologize but we should talk about this in closed session. I apologize for that answer. It is more appropriate there.

Senator AKAKA. Admiral Jacoby, yesterday the Senate Foreign Relations Committee held an open hearing on the post-war situation in Iraq. I have pursued a post-war Iraqi plan that I feel we should have. My question to you is what is your assessment concerning the attitude the post-war Iraqi military would have towards Israel?

Admiral JACOBY. Sir, I think what we are going to find, and now I mean particularly in the assessment, I think what we are going to find is that the Iraqi military is separated from the regime's positions and policies. We might find that they feel very differently about the situations in the region than the present regime. But sir, that is something to be discovered down the road, I think.

Senator AKAKA. Do you envision that the United States would be able to construct an Iraqi military capable of meeting Iraq's legitimate defense needs, which will not still harbor anti-Israeli feelings?

Admiral JACOBY. Our assessment is that we will be able to work to construct an Iraqi military sufficient to meet their defensive needs. On the political orientation, sir, I think that is still something to be determined as we work through this.

Senator AKAKA. In reading your statement, I share your concern about general technology proliferation and I want to commend the work done by DIA's futures division. I know that getting ahead of the curve is becoming harder and yet more critical. As you mentioned in your testimony, our technological advantage is going to erode and the long-term trends concerning WMD and missile proliferation are bleak. It is important that senior policymakers, especially those involved in formulating our strategies for military transformation, utilize assessments by groups like DIA's futures di-

vision. Is there a process to ensure that this takes place? Has Secretary Rumsfeld been briefed by the futures division?

Admiral JACOBY. Yes, sir. Our futures division work gets to him regularly. My promise to you, sir, is even in this period of challenges between the stresses of the current situations and the need for predictive assessments in the future, we have fenced off the futures divisions and I am making every effort to strengthen that effort, which is predictive. It is future threat, warning, avoidance of surprise is an area where we need to increase investment. We are very aware of that, sir, and it is a focused area for me.

Senator AKAKA. Thank you very much for your response.

Chairman WARNER. Thank you, Senator.

Senator Talent.

Senator TALENT. I think I am going to reserve for the closed session.

Chairman WARNER. Thank you very much.

Senator Ben Nelson.

Senator BEN NELSON. Thank you very much, Mr. Chairman. I thank the directors for being here today. My first question for Director Tenet is one that perhaps you will want to address during the closed and classified session. I understand that the IAEA will issue a report later this month on the nuclear program for Iran. Do you have an opinion based on the information that is available now on how long it would take Iran to develop a nuclear program on a par with, let us say, North Korea's nuclear program? I ask you first if you have an opinion on that. If you do, you probably want to express it in the closed session.

Mr. TENET. Yes, sir. It is incorporated into my classified statement.

Senator BEN NELSON. Inspectors from the IAEA were expelled from North Korea last fall as we all know and shortly thereafter, North Korea withdrew from the NPT. Assuming that these inspectors are not expelled from Iran, for example, we would still have some international monitoring of Iran's nuclear program as a signatory of the NPT, but as we have learned from the North Korean case, monitoring requires a permissive environment. In North Korea's case they did not want to fully reveal the extent of their nuclear program. This committee, of course, as well as the Intelligence Committee, has discussed with you and others in the administration the importance of human intelligence but also the importance of proper funding for satellite and other technological intelligence capabilities.

With the proliferation of nuclear technology and the number of nuclear powers or would-be powers and want-to-be powers growing every day, it is important that decision makers have reliable intelligence. Are you satisfied with the level of funding provided in the fiscal year 2004 budget for this purpose?

Mr. TENET. Sir, going back to last year when the President submitted the 5-year defense program and the intelligence fund, we have experienced very important growth to sustain our collection capabilities. I think Admiral Jacoby and I would tell you we are carefully discussing how to enhance these capabilities with the Secretary of Defense. We talked about this a bit yesterday in the Intelligence Committee, the issue of global coverage and the coverage of

all the things people would expect us to have knowledge about or information about is a daunting challenge for us. But nevertheless, the Secretary and I are working through this very carefully, and we are very pleased with the level of resources we have been provided going forward.

We may come back for more, but we want to do that in a considered way so that when we talk to you about this there is some programmatic content to it.

Senator BEN NELSON. Thank you. Vice Admiral Jacoby, I met yesterday with Defense Minister Ramirez from Colombia to discuss the war on terrorism and other transnational threats, specifically drug trafficking, that we are continuing to encounter. You mention in your written testimony that terrorism in general and principally the threat posed by al Qaeda is the most important priority of the DIA.

My question concerns the FARC and Colombia. The Colombian government maintains that the Irish Republican Army and the Basque separatist groups from Spain have ties to the FARC and argues therefore that their internal conflict has wider ramifications for the war on terrorism. What intelligence do you have through the DIA that would link these terrorist groups together, if you can speak about it in open session?

Admiral JACOBY. I can speak to it in closed session, sir. I would add that the concern with the FARC is a very real one for us with the official U.S. presence in Colombia. Obviously we have a responsibility for information flow to the State Department and our Marine guards and so forth as part of the diplomatic presence, too. The worrisome part for us was that for many years, the FARC excluded the U.S. from their target list. Recently they have changed their statements, although they have not yet executed attacks specifically directed against U.S. official presence here. That is a concern for us.

So we are worried about a changing situation in Colombia and it is getting attention from us at the appropriate level.

Senator BEN NELSON. Do you have the access to the kind of information you need to help us be informed on the basis of intelligence that is reliable, credible, and helpful?

Admiral JACOBY. We have insights. Do we have access that makes me comfortable that we have the situation well assessed in the land? No, sir.

Senator BEN NELSON. That is probably not because of any reluctance to share, it is because of the ability to access it.

Admiral JACOBY. It is certainly not a problem with sharing it. It is the level of detailed specificity, time and place kind of threat information for a country that is as large as Colombia that is a major issue for them.

Chairman WARNER. Thank you very much.

Senator Dayton.

Senator DAYTON. I want to thank both of you for your extraordinary service to our country at this critical time. Director Tenet, I would agree with your testimony that the burden of proof is entirely on Saddam Hussein and I believe as you said that we would find if we were able to make a complete inspection that those caches of chemical and biological materials the President outlined

in his State of the Union Address are largely still there; and those constitute violations of the U.N. sanctions, as the Secretary of State evidenced last week with what has been detected to date.

The United States has confronted dangerous dictators with weapons of mass destruction for 55 years since World War II and the essence of the critique you made today against Saddam Hussein could be applied to Nikita Khrushchev and other leaders of the former Soviet Union in years past, making linkages with anti-U.S. and anti-west operatives around the world, and to Chinese leaders in decades past and even North Korea today. Vice Admiral, you have stated the most serious threat to the U.S. regional interests in a generation but the United States has not launched preemptive strikes to eliminate those threats. Those threats remain serious and ongoing, even increasing.

Those countries have leaders which we distrusted, yet no democratic President acted to remove them or disarm them, and the primary reason I believe was that doctrine of mutually-assured destruction, that an attack by the United States would result in an assured destruction of our cities, our countryside, our social networks, and civilian casualties that would be unforeseeable in number.

So when I read reports of the last week that our threat level has been increased and read what Director Muller predicted yesterday, that a U.S. attack would result in retaliatory attacks against the United States within our borders, I ask myself why would we expect otherwise? Why wouldn't we expect that Saddam Hussein would retaliate, as we would if we were attacked those years past by the Soviet Union or some other enemy, and with as much destruction in this country, within our borders as possible?

To what extent do you assess that as an ongoing threat and is it factored in to the decision to proceed militarily against Iraq? Why is Iraq different? If we do proceed with military action against Iraq, why is Iraq different from North Korea today, from all the threats in the years past?

Mr. TENET. You are asking intelligence and policy questions. I will give you my view in any event. The interesting thing about Iraq, of course, is that Iraq, even though its army is a third of the size it was 10 or 11 years ago, it is still larger than all the Gulf Cooperation Council (GCC) countries and Arab nations combined. The difference with Iraq, one difference you have to remember is that in the last 15 years he has crossed two borders twice. Of concern to us just from an intelligence persuasion——

Senator DAYTON. When did those occur?

Mr. TENET. You had Kuwait, the Iran-Iraq war——

Senator DAYTON. In the last 12 years?

Mr. TENET. 15 years.

Senator DAYTON. In the last 12 years?

Mr. TENET. Sir, I will provide it for the record. I had 15 years in my mind.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

The other thing is that he is going to get a nuclear weapon sooner or later. Our estimate is that with fissile material he could have

it within a year or 2. He will enhance his ballistic missile capability with that material; and his biological weapons capability is far bigger than it was at the time of the Gulf War and he has chemical weapons capability that he hasn't declared. So you put that in the context of a region that is a little bit different from what you look at in North Korea, because you go to South Korea with a large diplomatic presence and the Chinese and South Korea that are different in terms of their strength and overall stature than the countries he faces in this region.

At the end of the day, you have to make a determination about how to best deal with this problem. At the end of the day, you have to ask yourself whether, after 10 or 12 years of dealing with process, he has fundamentally complied with it. Whether you wake up in 3 or 4 years and face the prospect of the issues that I walked through. Those are valid and important issues for people to debate. All we can do is lay down the facts of what the concerns are.

Senator DAYTON. My time is limited so let me just go on. Today's Washington Post reported on your remarks yesterday, your testimony as "signaling that the Bush administration has concluded that without enforcement the era in which countries were encouraged by treaties and self-regulation to avoid developing nuclear weapons may be coming to an end. Such a conclusion would buttress the new national security doctrine which suggests strikes against nuclear powers and nuclear defenses." Is that, in your view, the policy we are entering into, preemptive strikes against potential nuclear powers?

Mr. TENET. When I wrote the statement, I had no policy in mind other than to attempt to say to you—I did not talk about policies yesterday. I basically said that my concern was that the Nonproliferation Treaty regime was being battered in a way that continues to undermine a foundation that we have used for many years. Given my concern that proliferation will loom larger, do we have the right regime in place? What should it be replaced with? How active should we become?

Those are policy questions I would have to answer but I was reflecting on my look at the world and the concerns I have.

Senator DAYTON. One last question, please. Regarding the Iraqal Qaeda connection. I would agree with what I understood your assertion being, that the evidence of a linkage you have presented here has increased, but it seems to have increased since the administration announced that it intended to go to war. Prior to last October, the reports I have received—and I have sat in quite a number of briefings—those connections were far more tenuous than the one that you presented today, that the enemy of my enemy is my friend. It doesn't surprise me that Saddam Hussein has been reaching out in the last months to as many prospective allies as he could possibly find in the face of possible U.S. invasion, and it is not surprising that Osama bin Laden would seize on this crisis to exploit it to advance his anti-U.S. and anti-Israel agenda.

That is the reality we have today based on your reports, whether we like it or not. It seems to increase the specter or likelihood that an attack is going to be portrayed as an attack against Arab nations, and as you said, that we are going to see the kind of retalia-

tions that we saw on September 11, as part of their effort to foment this rebellion against what they view as the infidel.

Mr. TENET. Let me just comment on one of your points. This is an iterative business and very dynamic from the way it changes. If you go back and look at my testimony to this committee, I think in October, when we talked about WMD, when you look at the classified terrorism section, it mentioned Zarqawi, it mentioned Egyptian Islamic Jihad operatives. What has happened is an explosion in our knowledge and understanding and depth, additional sources, people we have at our disposal working with our European allies.

This thing moves every day. It is very dynamic. But you said something that I have to push back on, because we do not cook the case for anybody to make a policy. We never do that. We would never do that. We would never allow it. I would never allow it.

Senator DAYTON. I wasn't implying that, sir. What I understood it to be was the amount of contacts, the degree of connection between those two entities, it has increased in the last few months compared to what they were prior to, say, October of last year.

Mr. TENET. We have provided some interesting papers to the committee about contacts that go back to the Sudanese time period in the mid-1990s and an extensive paper on all of this. It is a tough issue that you are constantly trying to connect the dots on, and in the terrorism environment remember, everybody can connect the dots. There are lots of dots here that people have to be careful to connect in the right way and be quite dispassionate about how you portray it. But this is a serious issue and we have to be very mindful of it.

Senator DAYTON. I credit you, in both these appearances and those classified briefings, for being as forthright, candid, and giving up the information and knowledge you say that is a constantly shifting set of information.

Chairman WARNER. Thank you Senator.

Senator Bayh.

Senator BAYH. Gentlemen, I have 6 minutes and six questions so I am going to move expeditiously. If I could ask you to do the same, I would appreciate it. Admiral, I hope you won't take it personally that most of my inquiries are for the Director. My first question, Director, is I know we have finite resources and there is debate today about how many crises we can handle well simultaneously. My direct question to you is, is there anything that we could do to combat al Qaeda or to apprehend or kill Osama bin Laden that we are not doing because of the current focus on Iraq?

Mr. TENET. No, sir.

Senator BAYH. I want to follow up on a question that was asked, I think by Senator Akaka, with regard to cooperation from Germany, France, Belgium, or some of the countries that we have a difference of opinion with Iraq. I understood your answer to be that there has been no undermining of the intelligence cooperation with those countries and that that has not undermined our efforts to combat terrorism. Is that correct?

Mr. TENET. That is correct, Senator.

Senator BAYH. With regard to Iraq and the potential action, there have been concerns expressed that this action will lead to additional recruits for al Qaeda or other potential terrorist organiza-

tions. Obviously that is a concern. You never want to do anything to create a more fertile field for the creation of extremists who might turn against the United States. My understanding has been that a lack of manpower has not been their problem, that there has been no shortage of operatives to carry out attacks. There have been other things that have constrained their attacks on the United States. Is that a correct view?

Mr. TENET. Sir, they train thousands of people in their camps in Afghanistan. Manpower isn't the issue. Brain power, money, lots of foot soldiers willing to volunteer, tens of thousands of people who are trained in those camps. So it is not a manpower question as much as the other issues.

Senator BAYH. That is not an element that leads to few or potential attacks to the country, the lack of manpower?

Mr. TENET. No, sir.

Senator BAYH. With regard to Iraq and al Qaeda—you might not be able to answer this in open session. There have been press reports to the effect that there have been al Qaeda sympathizers in our country. There have been press reports to the effect that there have been Iraqi operatives in our country. I won't ask you about all that. I am just curious, as Senator Byrd and others have mentioned, about the alarm in the country today. What level of assurance do we have? Have you identified all these folks? What is the probability that there are some out there, we just do not know they are here?

Mr. TENET. In terms of terrorists?

Senator BAYH. Iraqi agents or al Qaeda operatives.

Mr. TENET. I can't give you a guarantee that Bob Muller and I have identified everybody in this country who may be affiliated with a terrorist organization. All I can give you is my certain knowledge that over the last 14 months we are better off than we were in terms of our knowledge and operations and sharing of data. So I can't give you that assurance, sir.

Senator BAYH. I appreciate your giving it the best shot that you can.

Chairman WARNER. Senator, we will provide the transcript for you of yesterday's intelligence hearing, at which time the Director of the Federal Bureau of Investigations addressed that question.

Senator BAYH. Two final questions. Again, this one I understand might be more appropriate for the closed hearing, but there have been a lot of public reports to the effect that North Korea probably has a nuclear device already. What kind of probability do you think exists that they currently have a nuclear device?

Mr. TENET. I think we have unclassified the fact that they probably have one or two plutonium-based devices today.

Senator BAYH. Probably. Between 50 and 100? Where would you put that?

Mr. TENET. I think one or two is a very good judgment.

Senator BAYH. How about if they fired missiles over Japan? What is the likelihood they have a missile currently capable of hitting the United States?

Mr. TENET. I think the declassified answer is yes, they could do that.

Senator BAYH. They have the ability to deliver nuclear warheads to the west coast of the United States. Obviously that is very troubling.

My final question is an attempt to look beyond the horizon a little bit at other threats. It was raised by Senator Nelson. That is the issue of the FARC.

There have been troubling things recently—the bombing in downtown Bogota. Our increased involvement there is not just against the war on drugs. It is to battle the insurgency. People move from Colombia into and out of the United States very frequently. I was at a conference on Colombia in December where an individual indicated he had met with FARC officials who had U.S. passports. So you combine urban bombings, the fact that they are beginning to focus on us as a direct adversary, and a significant flow back and forth between the United States and FARC operatives in this country. Am I justified in being worried about this threat, thinking that looking down the road this is something that could come home here to the heartland in a very direct way?

Mr. TENET. Sir, I actually asked that question this morning because we had a discussion about Colombia. There is an excellent question about whether you extend that to here. The question was regarding specific targeting at specific facilities. The FARC is taking it to the urban environment. Obviously you see the health club, that they really touched a vulnerable point.

Senator BAYH. I am concerned about what could happen down the road, if you game this out this could come home.

Mr. TENET. Let me come back to you with an answer.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

Chairman WARNER. Director Tenet, do you wish to refine your reply to that very important question regarding the North Korean delivery system and probability of a warhead, whether those systems are capable? I think it is an important statement for the record.

Mr. TENET. Sir, let me let it stand where it is until we—yes, sir. Let me leave it stand where it is. I do not want to give classified information.

Chairman WARNER. Senator Clinton.

Senator CLINTON. Thank you. I want to thank you for the hard work that your teams are doing. I just have several questions that have not been addressed yet. In his State of the Union, President Bush proposed a Terrorist Threat Integration Center, a central location, as I understand it, where all foreign and domestically generated terrorist threat information and intelligence would be gathered, assessed, and coordinated. As I further understand it, it would include elements from the CIA, the FBI, the new Department of Homeland Security, and the Department of Defense, but that the director would report to the Director of Central Intelligence. So far, is that a correct description?

Mr. TENET. Yes, ma'am.

Senator CLINTON. One of the difficulties that I still see us struggling with is the coordination between national agencies and sources of information with State and local law enforcement offi-

cials. I am particularly concerned not only about what goes down but what comes up. The fact is that our front line defenders with respect to any terrorist attacks here on our own shores are local law enforcement personnel. What steps are being taken as you design this department to ensure first that our local law enforcement officials will receive the information they need in a both timely and thorough enough manner; and second, that you will be receiving information?

As I just think about it, this is an overwhelming task, and I have to say clearly here in this committee that we are focused on the external and international emerging threats and their connections with what goes on here at home, but I really do believe we have not given adequate support to our local law enforcement first responders. We must have an intelligence and information gathering system that works far better than it ever used to in the past. Frankly, there were lots of conflicts as to what information would or would not be shared. So where are we in planning that, Mr. Tenet?

Mr. TENET. It would be good if Director Muller were here but I will tell you what I know.

Senator CLINTON. You will be the overall director?

Mr. TENET. This is an analytical component and essentially what we want to do is get all the threat information together, much as we did this morning, that has law enforcement and intelligence feeds so it is all seamless to make sure we have the right terrorist tracking database in one place that is available to State and local governments, to police forces. What we collect overseas, what we can hand over. The other thing that we think we have to do a heck of a lot more, if you put your finger on something, is give State and local police departments texture and understanding of what they look for, how they use their intelligence divisions, how they use the officer on the beat.

This is a daunting challenge. This is something that the Director of the FBI is taking on because of his rather direct relationship to what we are trying to do in creating this kind of integrated analytical center. There are lots of things that we can pass. For example, we have an excellent relationship with the New York City Police Department and the Washington police. Obviously New York and Washington are special places, but we need to be able to pass to Milwaukee and Seattle and every place else in this country texture, understanding, context. You do not have to give up sources and methods for this human operator, but you need to give those men and women the opportunity to find out what we are looking for when we go to orange.

There is an enormous amount of data we have started to push out the door about chemical and biological attacks, what to look for and how to protect Americans from them. One of our objectives is to have a place where we can push this out to law enforcement. The FBI can be at the proper front end, where we can have officials understand what the threat is without developing very much.

Senator CLINTON. This is an issue that concerns me greatly and I look forward to continuing to receive updates on how this is occurring. Second, last month the British Broadcasting Corporation (BBC) reported that British officials believe al Qaeda successfully

built a crude radiological device, commonly referred to as a dirty bomb, in Afghanistan. What intelligence do we have regarding the veracity of this report from British intelligence? Admiral Jacoby, if you have additional insight into this I would appreciate hearing it.

Mr. TENET. I would say that BBC and British intelligence may be two separate entities. We know they had a keen interest in developing a radiological device, and our whole thought process analytically and operationally is to prove the negative, that you did not get one or you did not get a nuclear weapon. I have never seen any reporting that suggests they successfully tested a radiological device from any source, our own, or British, I have never seen our reporting. I can check but I have never seen it, Senator.

Senator CLINTON. You agree with that, Admiral Jacoby?

Admiral JACOBY. Yes. We have found nothing in our investigations of Afghanistan.

Senator CLINTON. The leader of Hamas, who has carried out numerous bombings in Israel, released an open letter that said Muslims should threaten western interests and strike them anywhere. This is a very new development as I understand the history of Hamas, which has primarily been focused on fighting the Israeli government and the Israeli people. To what extent does Hamas pose a direct threat now to Americans both here and abroad?

Mr. TENET. Well, you are quite correct about where their targeting has been focused on but I would have to go back and talk to Bob Muller about what he perceives this threat to be here. The way you are isolating it is exactly right. All of these groups, a group like Hamas in particular operates in a constrained geographic region where they have comparative advantages but obviously the concern would be how they migrate those here. I will come back to that.

[The information referred to follows:]

Mr. Tenet did not respond in time for printing. When received, answer will be retained in committee files.

Chairman WARNER. Senator Pryor.

Senator PRYOR. I have just a couple of quick questions about al Qaeda and Director Tenet, I would like to direct those to you if possible. My first is a follow-up on Senator Bayh's very good questioning about al Qaeda and their capabilities and the manpower that they have. You mentioned that there were two facts. One is that we have disabled, if I could use that term, a lot of their leadership, and also, second, that they trained potentially thousands of troops, if you can call them that, or thousands of foot soldiers or believers, whatever you want to say, in Afghanistan and other places around the world.

Is al Qaeda at the present time growing?

Mr. TENET. Well, I think that the most important point I would make is because you have taken the sanctuary away and the ability to train an unlimited capability and unlimited resource for impunity, you hurt the ability of the organization to grow. There is no doubt about that, to train and deploy people. Whether people are motivated by the message and are comfortable with them or— is a different category, but I would say once we took the sanctuary away and we put them on the run and put them at greater risk, we jeopardized their ability to grow with trained operatives.

Senator PRYOR. Do they have a new sanctuary?

Mr. TENET. Nothing that rivals what we once saw in Afghanistan. None. What we are trying to do is find where they may migrate to in the same kind of mass and scope.

Senator PRYOR. Is it your perception that as some leadership is removed from the picture, other leadership is developing?

Mr. TENET. Well, that is—I'd like to talk about that in closed session, Senator.

Senator PRYOR. The last thing I have on al Qaeda is we hear a lot about it. For years, really, but certainly after September 11, there is not an American today that doesn't know a little something about it, and I assume that in your view, it would be categorized as the most dangerous terrorist organization with regard to America's national security.

Mr. TENET. It is the most dangerous terrorist organization that has attacked the United States but I will tell you that Hezbollah is an organization of capability, of worldwide presence, that is an equal if not far more capable organization, if you can believe that. It is a very capable organization.

Senator PRYOR. That was my question. What is number two?

Mr. TENET. I would say Hezbollah. I actually think they are a notch above in terms of the relationship with the Iranians. The training they received puts them in a state-sponsor supported category with a potential for lethality that is quite great.

Senator PRYOR. I assume they are organized a little differently than al Qaeda but it sounds like they are also kind of a loose-knit organization out there. Do they have a safe haven?

Admiral JACOBY. Actually, Hezbollah is much tighter, much more structured, much more organized in sort of a traditional sense, whereas al Qaeda is a loose network and I might add that one of the things, in your first question about numbers, we certainly learned in the U.S.S. *Cole* attack was that there were a few al Qaeda operatives that ran the operation but they drew from this larger group of Mujaheddin who they had fought with previously, who are not sworn to al Qaeda, who did not have allegiance. So when we get into discussions about relative numbers, the training camps are gone but the people who would share beliefs and join up for a specific operation are yet another aspect of this whole problem.

Senator PRYOR. Does Hezbollah have a primary training facility, or training region, or safe haven, as we talked about it before?

Mr. TENET. Southern Lebanon is a place of great concern obviously.

Senator PRYOR. Thank you.

Chairman WARNER. Thank you, Senator.

Senator BYRD. Mr. Chairman, Senator Pryor has a little of his 6 minutes left.

Chairman WARNER. Senator, if you ask for a minute or 2, Senator Levin and I are prepared to grant that.

Senator BYRD. I'd like to reserve on that. He is asking about training of al Qaeda.

Chairman WARNER. If you wish to follow up.

Senator BYRD. I wonder if al Qaeda has any training camp or camps in this country? I seem to remember—and I do not have today's newspaper report in front of me—something that is attrib-

uted to you to the extent that there are al Qaeda training camps in this country. Am I right or wrong?

Mr. TENET. No, sir. I don't believe you are correct. Not attributed to me. No, sir. I don't believe the Director of the FBI would say we have ever found anything like that in this country.

Senator BYRD. So there is nothing that you know about?

Mr. TENET. Nothing that I know about, sir.

Chairman WARNER. Senator Byrd, do you wish to conclude? Then we will go to our executive session in SH–219.

Senator BYRD. I take this opportunity to align myself with a high-ranking member in his remarks. I think I subscribe to those remarks 100 percent. The Director has said more than once that the burden is upon Iraq and not on the inspectors. This response has come in answer to a question as to the efficacy of having more inspectors in Iraq. There are some nations that are advocating that we increase the number of inspectors and I believe I heard the Director say that in response to that proposal that the burden is not on the inspectors but on Iraq. Am I correct in having heard you say that?

Mr. TENET. Yes, sir, I believe I said that.

Senator BYRD. Is it not true, Mr. Director, that if the inspectors are increased this would increase the problems for Saddam Hussein in his attempts to deceive the inspectors and deceive the United Nations? Would it not also provide additional information to the people of the world and to the people of this country who are about to send their sons and daughters into Iraq? Would it not serve some good purposes, even though somewhat of the burden may be, if we use a political answer and a rhetorical answer, yes the burden is on Saddam Hussein, not on the inspectors? But would it not provide some additional information to the people? Would it not make it more difficult for Saddam Hussein to continue in his course of deception?

Mr. TENET. Sir, I doubt it. I would respectfully disagree. I think that his practices and the way he has organized himself, the very elaborate regime that he has in place, I am doubtful that it would make much of a difference.

Senator BYRD. It seems to me that common sense reasoning, and I don't claim to have all of the common sense on my side, but it seems to me that common sense reasoning would indicate that the more inspectors that are put in, it is going to increase the burden upon Saddam Hussein.

But aside from that, I think we also have a burden. I think there is not only a burden on the inspectors and on Saddam Hussein, but I think this country has a burden, a burden to attempt to do whatever it possibly can do, particularly at this junction, to avoid war. Wars kill people. It seems to me we have a burden. This country has a burden to bend over backwards and it has done some of that already, but it seems to me more so, I think when we talk about the burden being not on the inspector but on Iraq, we should see our own burden that we bear before the country and the judgment of history. We need to do everything we possibly can to avoid war.

Now, having said that, let me congratulate you, Mr. Director, on your work. I read the book Bush at War by Bob Woodward, and

as I read that book, I came to believe that you were virtually the central hero.

Mr. TENET. Do not believe everything you read, Senator.

Senator BYRD. I don't, not everything I hear either in response to questioning. But you performed admirably in that book, if I may say. With respect to the defeat of the Taliban, and whatever is true about that book, I want to compliment you on.

I only have one other question, Mr. Chairman. Let me just ask it this way. The Director has on more than one occasion this morning said that he has not had time to analyze the recent information that has come to light on Osama bin Laden and he has indicated he might need another day or so. Might we have another hearing when the Director has had time to analyze this information? Might we have another hearing? I think the American people are entitled to know what his responses to those questions are.

Chairman WARNER. Our colleague makes another point. May I suggest we take the interim step of analyzing the submissions from the Director of Intelligence and then in consultation with our ranking member and yourself and others, we will take that into consideration.

Senator BYRD. Fair enough. I thank my chairman. He is so accommodating and responsive. I think we have a burden to inform the American people and it is not any fault of the chairman or the ranking member, but I think we have been delinquent in our duty as a Congress to ask questions and to inform the American people as we are about to take this very critical step we see looming just ahead. I think this committee has a responsibility to do everything that it can. So does our Appropriations Committee.

I do not think we as a Congress have fully fulfilled our responsibility to the American people.

Chairman WARNER. I think our distinguished colleague would recognize just in the past few days a number of hearings have been held one at the Foreign Relations Committee yesterday, and Senator Levin and I participated with members of the Intelligence Committee today. I think the consultation between the administration and Congress, and I have urged to reach the highest obtainable highwater mark of any President; I believe we are reaching that.

Senator Levin, you had a comment that you wished to make.

Senator LEVIN. A very quick question and comment. It relates to this issue of where the Director said we are not worried about the number of foot soldiers out there in the terrorist movement. Let me tell you, I am and Admiral Jacoby apparently is.

Mr. TENET. I did not mean to imply it, Senator. Let me correct the record then.

Senator LEVIN. I want to read you what Admiral Jacoby said and let me see if you agree with that. This is in today's written testimony, and it says so much. I wish you would have time to read this paragraph. "Much of the world is increasingly apprehensive about U.S. power and influence. Many are concerned about the expansion, consolidation, and dominance of American values, ideals, culture, and institutions. Reactions to this sensitivity to growing 'Americanization' can range from mild 'chafing' on the part of our friends and allies to fear and violent rejection on the part of our

adversaries. We should consider that these perceptions, mixed with angst over perceived U.S. unilateralism, will give rise to significant anti-American behavior." Do you agree with the Admiral?

Mr. TENET. I'd like to think about it.

Senator LEVIN. I would like to put in the record, Mr. Chairman, an article from The Washington Post of Friday, February 7. There are two quotes in particular. One, "Senior U.S. officials said that, although the Iraqi government is aware of Zarqawi's group's activity it does not operate, control, or sponsor it." Second, the paragraph which says, "Senior administration officials said that, although Zarqawi has ties to Osama bin Laden's group, he is not under al Qaeda control or direction. 'They have common goals,' one intelligence analyst said, but he [Zarqawi] is outside Osama bin Laden's circle. He is not sworn al Qaeda."

Because the time has run today and because the Director did comment on both of those yesterday at the Intelligence Committee, I would ask that in addition to these quotes from this article being made part of the record, that the testimony of the Director commenting on those quotes from yesterday's Intelligence Committee hearing also be made part of the record.

Chairman WARNER. Without objection.

[The information referred to follows:]

The Washington Post

February 07, 2003, Friday, Final Edition

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HEADLINE: Alleged Al Qaeda Ties Questioned; Experts Scrutinize Details of Accusations Against Iraqi Government

BYLINE: Walter **Pincus,** Washington Post Staff Writer

BODY:

Foreign government officials, experts in terrorism and a few members of Congress raised questions yesterday about the Bush administration's description of the connections between the Iraqi leadership and the al Qaeda terrorist network.

One of the most powerful disclosures made by Secretary of State Colin L. Powell in his presentation to the U.N. Security Council Wednesday concerned a terrorist organization run by Abu Musab Zarqawi, 36, a Jordanian-born Palestinian. Powell described Zarqawi as an "associate" and "collaborator" of al Qaeda leader Osama bin Laden.

Several experts described Powell's presentation as very strong in public relations terms, but they questioned the details of his description of the Zarqawi group and its relationship with Baghdad. A Washington terrorism expert who asked not to be identified said President Bush's depiction of Zarqawi yesterday as "a senior al Qaeda terrorist planner" raised similar questions. Senior administration officials said that, although Zarqawi has ties to bin Laden's group, he is not under al Qaeda control or direction. "They have common goals," one intelligence analyst said, "but he [Zarqawi] is outside bin Laden's circle. He is not sworn al Qaeda."

Another senior administration official said Zarqawi started out as a Palestinian terrorist whose first known operation was carried out with Jordanians who had come together during the fight against the Soviet Union in Afghanistan in the 1980s. The operation was an attempt in late 1999 to blow up the Radisson SAS Hotel in Amman, Jordan, which was frequented by Israeli and American tourists.

In his U.N. address, Powell said Zarqawi's network represents a potentially "more sinister nexus between Iraq and the al Qaeda terrorist network" than the connections Baghdad previously had with terrorist groups such as the Palestine Liberation Front, which it had supplied with money, small arms and explosives. Powell said Zarqawi has a "cell" in Baghdad from which associates "coordinate the movement of people, money and supplies into and throughout Iraq for his network."

Senior U.S. officials, contacted by telephone yesterday, said that, although the Iraqi government is aware of the group's activity, it does not operate, control or sponsor it.

Zarqawi's network, Powell said, maintains a camp in northeastern Kurdish Iraq -- territory not controlled by Iraqi President Saddam Hussein -- that is within a small enclave ruled by an Islamic fundamentalist group called Ansar al-Islam. Powell said Baghdad has an "agent" in "the most senior levels" of Ansar, implying a special relationship with the Hussein government.

A senior government official said U.S. intelligence has no direct knowledge of what the "agent" does. "He may be spying on the Ansar group. He may be a liaison with Baghdad," the official said. "Saddam Hussein likes to keep an eye on such groups."

Ansar is at war with the Kurdish groups in northern Iraq that are protected by the United States. "We used to say there was no connection [between Hussein and the Zarqawi group]," said a senior foreign official supportive of the administration's Iraq policy. "You've got this camp of nutters up there in Kurdistan. Now there are some more indications of more connections, but what they mean and where they lead" are not clear.

The exiled former head of Ansar, Mullah Krekar, told the Guardian newspaper of London yesterday that he has no links with Iraqi leaders. "I am against Saddam Hussein," he said from his home in Oslo. "I want [Iraq] to change into an Islamic regime."

At a Senate Foreign Relations Committee hearing yesterday, Sen. Joseph R. Biden Jr. (D-Del.) asked Powell why no military action has been taken against the Ansar camp since U.S. officials became aware of it in August. Noting that he was in Kurdistan last summer, Biden said there were reports at the time that an attack against the camp was planned.

Powell responded that there had been intelligence monitoring of the camp. "It's been occupied and unoccupied since last summer," he said. As for why no military action has been taken, Powell told Biden that he could not talk about "specific military contingency plans."

Powell said the United States has been "tracing individuals who have gone in there and come out of there," a surveillance effort that enabled him "to make the presentation that I made yesterday." The tracing of those individuals and the testimony of one detainee helped Powell connect Zarqawi's network to plotted terrorist attacks in Europe during his U.N. presentation.

In his remarks at the White House after meeting with Powell yesterday, Bush said Zarqawi's network "was caught producing poisons in London."

However, senior administration officials said a connection with Zarqawi "is still being investigated," a statement echoed by London law enforcement officials quoted in British newspapers.

SEN. LEVIN: In the February 7th Washington Post, senior U.S. officials contacted by telephone by the reporter said that although the Iraqi government is aware of the group's activity, it does not operate, control, or sponsor. Do you disagree with that?

MR. TENET: I'm sorry, sir; it's -- on the basis of what I know today, I can't say "control" in any way, shape or form, but I will tell you, there's more data coming in here. So what you just read, I will stand by today, maybe not tomorrow, but we'll see where the data takes us.

SEN. LEVIN: All right.

Next. Is Zarqawi himself a senior al Qaeda terrorist planner? Is he --

MR. TENET: He's a senior al Qaeda terrorist associate, yes, sir.

SEN. LEVIN: No, is he a planner?

MR. TENET: Yes, sir. He's met with bin Laden. He's --

SEN. LEVIN: So he works for al Qaeda?

MR. TENET: He's been provided money by them. He conceives of himself as being quite independent, but he's someone who's well known to them, has been used by them, has been contracted by them. And --

SEN. LEVIN: Is he under their control or direction?

MR. TENET: He thinks of himself as independent, sir, but he draws sustenance from them.

SEN. LEVIN: All right. Do you disagree, then, with the senior administration officials in The Washington Post quoted on February 7th who say that although Zarqawi has ties to bin Laden, he is not under al Qaeda's control or direction?

MR. TENET: Sir, I don't agree with that statement. I believe they're witting about what he's doing. I believe they provide him sustenance, and I believe they use him effectively for their purposes and they know precisely what he's up to.

SEN. LEVIN: And therefore you do not agree with the senior officials who said this?

MR. TENET: No, sir. I think the relationship with him is more intimate than that.

SEN. LEVIN: Unnamed. These are unnamed officials, of course. But it's --

MR. TENET: (Off mike) -- are.

SEN. LEVIN: But even when they come from the CIA, they're unnamed.

MR. TENET: Yes, sir.

SEN. LEVIN: Yeah.

The reason I ask you about the statement whether or not they have bases -- al Qaeda has bases in Iraq is because of the statement this morning of Mr. Ford. He said you couldn't say that they have bases one way or the other. But I just want to let you know, on page 3 of Mr. Ford's testimony, he says that Saddam has allowed al Qaeda increasingly to secure bases from which to plan terrorist attacks.

MR. TENET: Well, sir, you said to me (the main are at ?) -- you told me not about the --

well, of course, in regard to this Kurdish -- these --

SEN. LEVIN: No, no. He's allowed. Saddam has allowed. That's not the Kurdish area.

MR. TENET: Yeah. Well, he's allowing them to operate in Baghdad. Whether it's a base or not, I --

SEN. LEVIN: But tell Mr. Ford you don't know whether their base -- so his next testimony will reflect some consistency with the CIA.

MR. TENET: It would be a base of operation, sir, is the way I'd characterize it.

MR. FORD: We've never had an agreement that we had to be consistent with the CIA. We give our own view.

SEN. LEVIN: That sounds good. That -- that's -- there's not unanimity about these issues in the intelligence community. That's a useful bit of information.

Thank you, Mr. Chairman.

Chairman WARNER. We will now reconvene in SH–219 in executive session.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

SCOTT SPEICHER

1. Senator BILL NELSON. Director Tenet, Captain Scott Speicher's status is of great concern to me. I want to ensure that as events unfold in Iraq that he is not forgotten and that the U.S. intelligence community is doing all it can to find out more information about his location and his condition. I appreciate your past assistance on this matter and look forward to continuing to work with you in the future. Is there new information on the status of Captain Scott Speicher?

Director TENET. We defer to DIA on the status of the investigation of Captain Speicher.

2. Senator BILL NELSON. Director Tenet, are regional intelligence agencies in the Middle East cooperating with U.S. efforts to resolve Captain Speicher's status?

Director TENET. We defer to DIA on the status of the investigation of Captain Speicher.

AL QAEDA ELEMENTS IN PAKISTAN

3. Senator BILL NELSON. Director Tenet, I am greatly concerned with escalating combat operations in Afghanistan by U.S. troops. I am especially concerned with the fact that al Qaeda and Taliban elements may be using Western Pakistan as a staging area or safe haven for operations against U.S. forces and the Karzai government. Are elements of Pakistan's security or defense forces allowing (or tolerating) al Qaeda or the Taliban to use Western Pakistan as a "safe haven" from which to launch operations against American forces in Afghanistan?

Director TENET. [Deleted.]

AL QAEDA ELEMENTS IN IRAQ

4. Senator BILL NELSON. Director Tenet, a portion of Secretary Powell's presentation to the U.N. dealt with the ties between Iraq and al Qaeda. One particular training camp was identified in northeastern Iraq. In addition, officials of the Patriotic Union of Kurdistan (PUK) say that they informed U.S. officials of an al Qaeda presence in September 2001. Where exactly is this camp located, Saddam-controlled territory, Kurd-controlled territory, or perhaps some other ambiguous location like a no-fly zone?

Director TENET. [Deleted.]

5. Senator BILL NELSON. Director Tenet, how many such camps exist in the region? Do they not pose a threat to U.S. security?

Director TENET. [Deleted.]

6. Senator BILL NELSON. Director Tenet, how long has the administration been aware of this presence in northeastern Iraq? Why haven't we taken direct military action against that group?

Director TENET. [Deleted.]

CHINESE MILITARY MODERNIZATION

7. Senator BILL NELSON. Vice Admiral Jacoby, press reports indicate that China has increased its defense budget significantly in the last 2 years. They are on a glide path to significant modernization that may threaten U.S. military superiority in the not too distant future. How would you assess the impact of Chinese military modernization, especially their naval, air defense, and anti-ship missile modernization, on regional stability and future U.S. relations?

Admiral JACOBY. China has underway an ambitious military modernization program aimed at improving key elements of both its conventional and its strategic forces. Its primary focus is on improving the ability of the People's Liberation Army (PLA) to fight short-duration, high-intensity conflicts along or near China's periphery. This modernization program also is aimed at deterring or countering U.S. military intervention in the Asia-Pacific region. To this end, the PLA is acquiring modern surface combatants and submarines, surface-to-air missile systems, fourth-generation fighters, supersonic anti-ship cruise missiles and naval air defense systems, and a new generation of ground force equipment. As a result, within the decade, China's overall capacity to threaten other countries in the region, as well as U.S. military forces in the region, will increase. For example:

- China has begun to deploy indigenous SONG and Russian-built KILO diesel attack submarines and is developing a new nuclear-powered submarine class.
- China is improving significantly its passive air and missile defenses.
- China is procuring and developing cruise missiles capable of being launched from aircraft and land, as well as submarines and surface ships.

These programs and other enhancements to the PLA's overall fighting capability potentially could contribute to instability in the Asia-Pacific region and challenge Sino-Americans relations, should Beijing opt to use military force to resolve its numerous disputed territorial claims or to achieve regional preeminence, one of China's strategic objectives.

COLOMBIA

8. Senator BILL NELSON. Director Tenet, I am concerned with the growing level of violence in Colombia and the potential for instability there to spread to other nations in the region. What are the threats to stability and democratization posed by the spread of both narcotics production and insurgency in the South America?

Director TENET. [Deleted.]

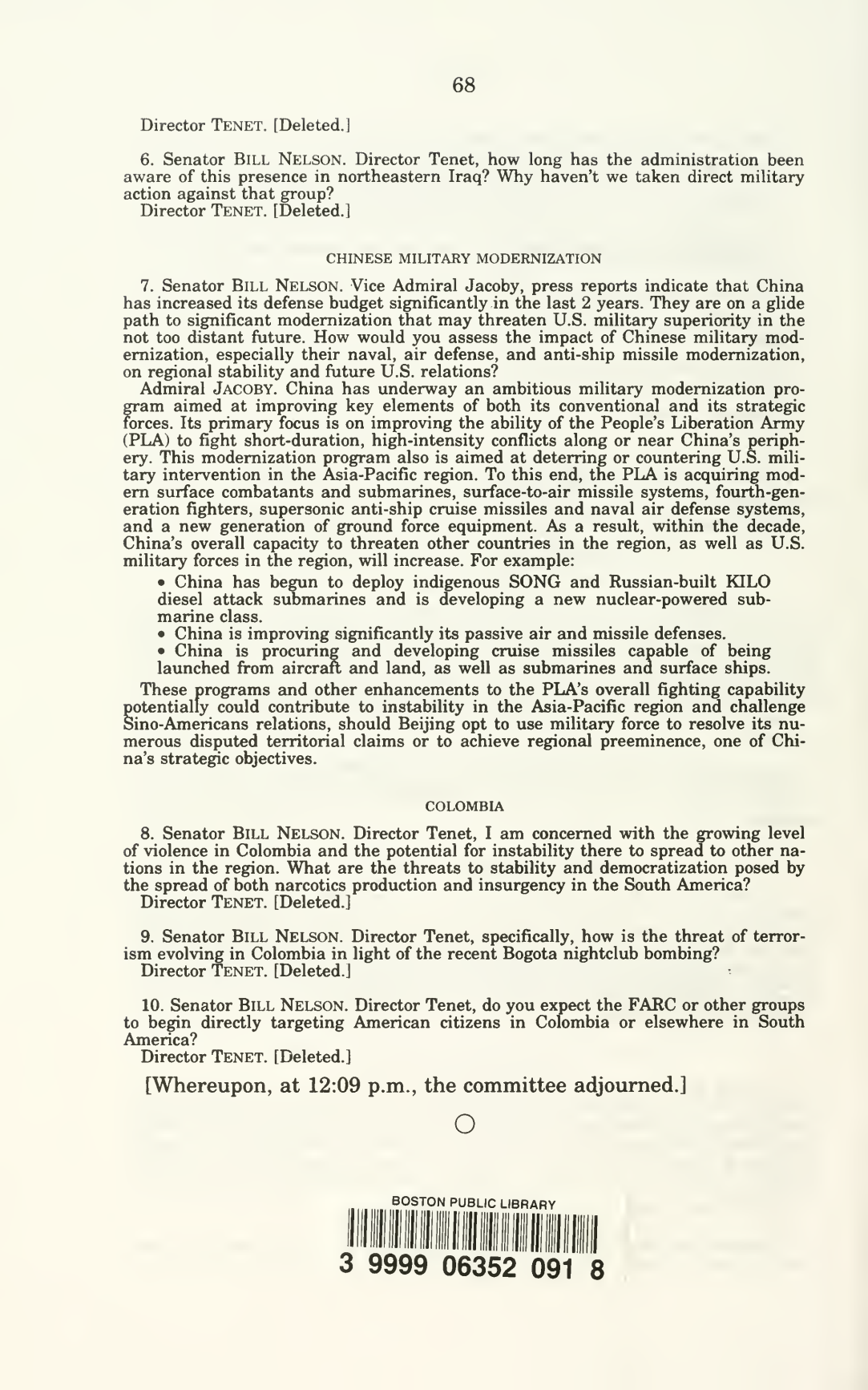
9. Senator BILL NELSON. Director Tenet, specifically, how is the threat of terrorism evolving in Colombia in light of the recent Bogota nightclub bombing?

Director TENET. [Deleted.]

10. Senator BILL NELSON. Director Tenet, do you expect the FARC or other groups to begin directly targeting American citizens in Colombia or elsewhere in South America?

Director TENET. [Deleted.]

[Whereupon, at 12:09 p.m., the committee adjourned.]



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